

<p>CARNEGIE FORUM 305 WEST PINE STREET LODI, CALIFORNIA</p>	<p>AGENDA LODI PLANNING COMMISSION</p>	<p>REGULAR SESSION WEDNESDAY, JUNE 24, 2009 @ 7:00 PM</p>
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For information regarding this agenda please contact:

Kari Chadwick @ (209) 333-6711
Community Development Secretary

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1. ROLL CALL
2. MINUTES – “May 27, 2009”
3. PUBLIC HEARINGS
 - a. Request for Planning Commission approval of a Use Permit to allow a Type 48 on-sale General ABC license at 17 West Pine Street. (Applicant: Sonny Keophimane. File Number: 09-U-03)
 - b. Request for Planning Commission approval of a Use Permit to allow a Type 2 (Winery) Alcoholic Beverage Control License at 2 West Lockeford Street. (Applicant: Estate Crush. File Number: 09-U-04.)

NOTE: The above item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31

4. PLANNING MATTERS/FOLLOW-UP ITEMS
5. ANNOUNCEMENTS AND CORRESPONDENCE
6. ACTIONS OF THE CITY COUNCIL
 - a. City Council Summary Memo
7. GENERAL PLAN UPDATE/DEVELOPMENT CODE UPDATE
8. ACTIONS OF THE SITE PLAN AND ARCHITECTURAL REVIEW COMMITTEE
9. ART IN PUBLIC PLACES
10. COMMENTS BY THE PUBLIC
11. COMMENTS BY THE PLANNING COMMISSIONERS & STAFF
12. ADJOURNMENT

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day

****NOTICE:** Pursuant to Government Code §54954.3(a), public comments may be directed to the legislative body concerning any item contained on the agenda for this meeting before (in the case of a Closed Session item) or during consideration of the item.

Right of Appeal:

If you disagree with the decision of the commission, you have a right of appeal. Only persons who participated in the review process by submitting written or oral testimony, or by attending the public hearing, may appeal.

Pursuant to Lodi Municipal Code Section 17.72.110, actions of the Planning Commission may be appealed to the City Council by filing, within ten (10) business days, a written appeal with the City Clerk and payment of \$300.00 appeal fee. The appeal shall be processed in accordance with Chapter 17.88, Appeals, of the Lodi Municipal Code. Contact: City Clerk, City Hall 2nd Floor, 221 West Pine Street, Lodi, California 95240 – Phone: (209) 333-6702.

**LODI PLANNING COMMISSION
REGULAR COMMISSION MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 27, 2009**

1. CALL TO ORDER / ROLL CALL

The Regular Planning Commission meeting of May 27, 2009, was called to order by Chair Kiser at 7:00 p.m.

Present: Planning Commissioners – Cummins, Heinitz, Hennecke, Kirsten, Mattheis, Olson, and Chair Kiser

Absent: Planning Commissioners – None

Also Present: Community Development Director Konradt Bartlam, Deputy City Attorney Janice Magdich, Assistant Planner Immanuel Bereket, and Administrative Secretary Kari Chadwick

2. MINUTES

“March 25, 2009”

MOTION / VOTE:

The Planning Commission, on motion of Commissioner Kirsten, Cummins second, approved the Minutes of March 25, 2009 as written. (Mattheis abstained because he was not in attendance of the subject meeting)

“April 8, 2009”

MOTION / VOTE:

The Planning Commission, on motion of Commissioner Kirsten, Heinitz second, approved the Minutes of April 8, 2009 as written. (Mattheis abstained because he was not in attendance of the subject meeting)

“April 22, 2009”

MOTION / VOTE:

The Planning Commission, on motion of Commissioner Kirsten, Mattheis second, approved the Minutes of April 22, 2009 as written. (Cummins, Heinitz, and Hennecke abstained because they were not in attendance of the subject meeting)

3. PUBLIC HEARINGS

- a) Notice thereof having been published according to law, an affidavit of which publication is on file in the Community Development Department, Chair Kiser called for the public hearing to consider the request to amend a previously approved Use Permit 07-U-01 to increase the number of tables, expand the hours of operation and increase the number of legal cardroom games at 1800 S. Cherokee Lane. (Applicant: Chris Ray, on behalf of Wine Country Cardroom & Restaurant. File Number: 07-U-01.)

Assistant Planner Bereket gave a brief PowerPoint presentation based on the staff report.

Commissioner Heinitz disclosed that he met with the applicant and eats lunch in the restaurant about once a week, but has never gambled there.

Commissioner Kirsten disclosed that he met with the applicant regarding the project.

Commissioner Hennecke asked about the last condition requiring the parking to be complete within 120 days of approval. Mr. Bartlam stated that in this situation the establishment is open and operating legally already. What has occurred is there isn't enough parking to accommodate the current patrons and the City has chosen the 120 days because of the Cherokee Lane improvements as well as the parking improvements that will be necessary.

Vice Chair Cummins asked how many parking spaces are currently on site. Assistant Planner Bereket stated that there are 84 parking spaces. Commissioner Cummins stated that the applicant is trying to increase the parking by 60 stalls (40%). Director Bartlam stated that the original Use Permit based the parking on the restaurant occupancy and it has been discovered that that amount is inadequate. Cummins asked why a traffic study wasn't done. Director Bartlam stated that in this case it is a hindsight situation. The upgrades to the parking are being based on the current traffic flow not the anticipated traffic with the three new tables. Cummins asked if City Council has approved parts of this project. Bartlam stated that the City Council has approved the amendment to the Ordinance not the Use Permit.

Commissioner Mattheis asked why staff isn't tying the completion of the parking with the approval of the expansion. Director Bartlam stated that that is an option, but staff looked at it from a standpoint that there is already a deficiency. Mattheis stated that he has a problem with the displacement of the vehicles that are currently parking in the unfinished areas for whatever amount of time, 120 days according to the resolution, the upgrades take. He then asked if the parking surveillance will include the expanded area. Bartlam stated that it already does.

Commissioner Heinitz asked what the City's Development Standard is for the parking lot. Director Bartlam stated that there are a variety standards such as; an impervious surface, curb, gutter, sidewalks, lighting standards, etc.

Commissioner Mattheis asked about the storm water pretreatment. Director Bartlam stated that that is one of the Public Works requirements.

Chair Kiser asked if there will be any purple pipe. Director Bartlam stated that purple pipe is not a requirement at this time.

Commissioner Hennecke asked who owns the property to the south of the proposed project. Director Bartlam stated that neither the applicant nor owner of the property where the business is located own the parcel in question.

Hearing Opened to the Public

- Stephen Snider, spokesperson for applicant, came forward to address the Commission. He asked that the City work with the applicant in the timing of the improvements. He stated that the 120 days is going to be an ambitious undertaking. Mr. Snider stated that this establishment has proven itself to be a good neighbor and last year this project was brought before the Commission as an informational item with a positive update on what started out to be a controversial project.
- Chair Kiser asked if there will be an increase in the security. Mr. Snider stated that there is one security guard for every 100 guests and that will increase as needed.
- Commissioner Heinitz asked about the tax revenue to the City from this establishment. Mr. Snider stated that as of a couple of months ago it was at \$180,000. Heinitz asked about the job revenue. Mr. Snider stated that there are currently 60 employees and with three new tables it may increase by another 9 employees. Heinitz asked about the pay rate. Mr. Snider stated that the pay for the dealers is very good especially with tips.

- Commissioner Mattheis asked where the patrons will be parking while the construction is taking place. Mr. Snider stated that it will have to be done in phases with overflow parking on Cherokee. Mattheis asked how much of a burden would it be if this was not approved until the parking was completed. Mr. Snider stated that it would be a huge burden. Mattheis asked how many parking spaces are on Cherokee. Snider stated he was not sure.
- Commissioner Olson asked why the expanded hours are necessary for this type of business. Mr. Snider stated that at two in the morning they have to kick customers out. At eight in the morning you will get the night shift people that want to come in and wind down before going home and the restaurant will serve breakfast, so the establishment will not just be open for gambling only. Commissioner Olson stated that she is uncomfortable with the expanded hours. She asked if there is any evidence from other cities that shows that the extended hours are financially beneficial. Mr. Snider stated that they have not done that analysis, but are basing the need from their own customer base.
- Chair Kiser asked if the applicant plans to come back and ask to stay open 24 hours. Mr. Snider stated that there isn't any plan to do that.
- Commissioner Kirsten stated that he has spoken with members of the Police Department and they are quite impressed with the lack of problems from this establishment. Kirsten also added that he is impressed with the tract record, revenues, and jobs that are associated with this project.
- Commissioner Hennecke stated his concern over the parking and doesn't feel comfortable with the parking on Cherokee Lane. Mr. Snider stated that it is not the intention of the business to endanger any of the patrons. Hennecke asked if the condition of requiring the upgrades to be complete before the expansion is approved was placed on this project would that kill the project. Mr. Snider stated that he would have to have the financing agent take a look at that.
- Chair Kiser asked if it would be feasible for the applicant if there was a condition placed on the project that 1/3 of the parking needed to be complete before approval. Mr. Snider stated that he wasn't sure.
- Vice Chair Cummins stated that the business has done very well just playing Texas Hold'em and asked what new games are going to be played. Mr. Snider stated that the games that will be added will be three card poker and black jack. Cummins asked how this establishment is going to protect the customer from the seedier side of gambling like what has been experienced in Stockton at the Cameo Club. Mr. Snider stated that the Gaming Commission is very strict and if this establishment wants to keep its license it will continue to be proactive in keeping that element out of the area.
- Commissioner Olson stated that she would like to support the project, but would like to have a better compromise in the timing of the parking completion. Mr. Snider stated that the applicant will be working with the Planning Department.
- Chair Kiser asked how long it will take to convert the inside over for play. Mr. Snider stated that it will take some time because of the ordering of the materials and the permitting process.
- Commissioner Kirsten stated that he visited the site on a Thursday after lunch and asked if that was a peak time. Mr. Snider stated that there really is no way of knowing what the peak day and time is. Kirsten stated that during his visit it was pointed out that the overflow parking was being used by the employees. Mr. Snider stated that he is sure something can be done to alleviate the impact of the overflow parking issue while the construction is going on.
- Commissioner Mattheis suggested some alternative language be placed in the resolution regarding the parking once the hearing is closed to the public.

- Commissioner Hennecke agreed with Commissioner Mattheis and asked if there are any alternative off street parking areas that have been considered while the upgrades are being done in particular the property to the south of the proposed expansion. Mr. Snider stated that that property is owned by the same person that owns Lodi Honda and they have been very pleased with the Cardroom as a neighbor and he is sure something could be worked out.
- Ken Owens, founder of Christian Community Concerns, came forward to oppose the project. The three issues that he would like to address are: Gambling, the effects on Lodi, and the effect on the neighborhood in the immediate area. Mr. Owen stated some of the negatives related to gambling and read from the documents that were given to the Commission before the meeting tonight (attachment A of these minutes). He stated that this establishment has not been in business long enough to show the negative effects of gambling. The traffic and parking congestion is a major issue and will only get worse. Mr. Owen stated that the increase in the games and operational hours will continue to disrupt that neighborhood. The 9% of the revenue that this establishment is giving is over and above the amount that other businesses give which could lead to corruption. It has been said many times at Council meetings by one of the partners of this establishment that the City is its best partner.
- Commissioner Kirsten stated his appreciation for the added material from Mr. Owens and that the Commission is being asked to make judgment on the Land Use issues of the project not the moral issues.

Chair Kiser called for a brief recess.

Chair Kiser called the meeting back to order.

Public Portion of Hearing Closed

- Commissioner Heinitz stated his support for the project and agrees with Commissioner Mattheis in adding verbiage requiring the applicant to submit a parking plan for approval to the Community Development Director.
- Commissioner Mattheis stated his support for the project and suggested that the applicant submit a parking plan to the Community Development Director for approval and that some kind of verbiage should be added to the resolution to that affect.
- Vice Chair Cummins stated his disagreement with finding number three in the resolution and based on that finding can not support the project.
- Chair Kiser stated his support for the project.

MOTION / VOTE:

The Planning Commission, on motion of Commissioner Heinitz, Mattheis second, approved the request of to amend a previously approved Use Permit 07-U-01 to increase the number of tables, expand the hours of operation and increase the number of legal cardroom games at 1800 S. Cherokee Lane subject to the conditions in the resolution with the added verbiage below:

Director Bartlam added to Condition #18: "in the interim and during the construction period the applicant shall submit a parking plan to the Community Development Department outlining the actions that will be taken to satisfy the parking demand during that time."

The motioned carried by the following vote:

Ayes: Commissioners – Heinitz, Hennecke, Kirsten, Olson, Mattheis, and Chair Kiser
Noes: Commissioners – Cummins

*Continued***4. PLANNING MATTERS/FOLLOW-UP ITEMS**

- a) Construction of Alternative to Measure K Railroad Grade Separation Project.

Director Bartlam gave a brief report based on the memorandum in the packet.

Chair Kiser asked if this would be a part of the General Plan. Mr. Bartlam stated that it has been and will continue to be a part of the General Plan.

Commissioner Heinitz asked if there would need to be any disturbance to the residential homes on the northwest corner of this area. Mr. Bartlam stated that there would not be a need to disturb any of the homes in that subdivision because of the forethought of getting the right-of-way at the time that this subdivision was created. The only land disturbance that will be necessary will be to the south and the property owners are well aware of this need.

Commissioner Mattheis stated his support for the recommendation.

Commissioner Kirsten stated his support for the recommendation.

Hearing Opened to the Public

- None

Public Portion of Hearing Closed**MOTION / VOTE:**

The Planning Commission, on motion of Commissioner Mattheis, Heinitz second, approved the recommendation to the City Council supporting the replacement of Measure K funding for the Harney Lane Grade Separation Project. The motion carried by the following vote:

Ayes: Commissioners – Cummins, Heinitz, Hennecke, Kirsten, Olson, Mattheis, and Chair Kiser

Noes: Commissioners – None

5. ANNOUNCEMENTS AND CORRESPONDENCE

Vice Chair Cummins stated that the Planners Institute will be in Monterey in March 2010.

6. ACTIONS OF THE CITY COUNCIL

Director Bartlam stated that he was available to answer any questions regarding the summary memo in the packet. He went through a few of the highlights from the budget and how the reductions affect the Community Development Department and the Planning Commission.

7. GENERAL PLAN UPDATE/DEVELOPMENT CODE UPDATE

Director Bartlam stated that the policy documents are going through the administrative process and will come to the Planning Commission as the pieces become available.

8. ACTIONS OF THE SITE PLAN AND ARCHITECTURAL REVIEW COMMITTEE

None

9. ART IN PUBLIC PLACES

Kirsten gave a brief report regarding the meeting that took place today.

10. COMMENTS BY THE PUBLIC

None

11. COMMENTS BY STAFF AND COMMISSIONERS

None

12. ADJOURNMENT

There being no further business to come before the Planning Commission, the meeting was adjourned at 9:03 p.m.

ATTEST:

Konradt Bartlam
Planning Commission Secretary

WHO we are

Formed in 1994, the National Coalition AGAINST Legalized Gambling (NCALG) is a nationwide educational group. It informs citizens about the detrimental effects of legalized gambling on the economic, political, social and physical well being of individuals, the community and the nation. Because NCALG is an educational non-profit 501(c)(3) organization, contributions to NCALG are tax deductible.

NATIONAL COALITION
ncalg
AGAINST LEGALIZED GAMBLING

The National Coalition AGAINST Gambling Expansion is the political action arm of NCALG. The two organizations share the same boards of directors and officers. NCAGE works at the national level and assists grass roots organizations to defeat the expansion of legalized gambling and to roll back legalized gambling.

Because it is a 501(c)(4) non-profit political action committee, contributions to NCAGE are NOT tax deductible. They are helpful, however, because they may be used to influence specific legislation and to encourage citizens to take action to influence voters and legislators.

THE NATIONAL COALITION
NCAGE
AGAINST GAMBLING EXPANSION

Isn't this a moral issue?

Over time, activities that damage a society, its culture, its economy, its families and its ability to survive come to be considered "immoral." It's a bit of a chicken and egg debate. Are activities bad because they're immoral, or are they immoral because they are bad? Consider this:

Gambling

- ▶ Causes addiction
- ▶ Increases bankruptcy
- ▶ Increases crime
- ▶ Increases suicides
- ▶ Contributes to divorce
- ▶ Damages the economy
- ▶ Cannibalizes jobs
- ▶ Corrupts politics
- ▶ Stimulates illegal gambling

It's a free country isn't it?

Important Constitutional duties of state and national government include protecting citizens from dangerous products, health risks, ponzi schemes, false advertising, bait and switch tactics and crime. Gambling fits all of those descriptions and worse. America criminalized gambling twice before in its history. The nation shouldn't have to learn the same lesson three times.

This brochure may be reproduced without written permission only in its entirety and without changes for free distribution by grass roots community organizations. You may download the printable file from www.ncalg.org Look for the "Resources" area. You may also order printed copies. Call 800-664-2680 or visit the web site.

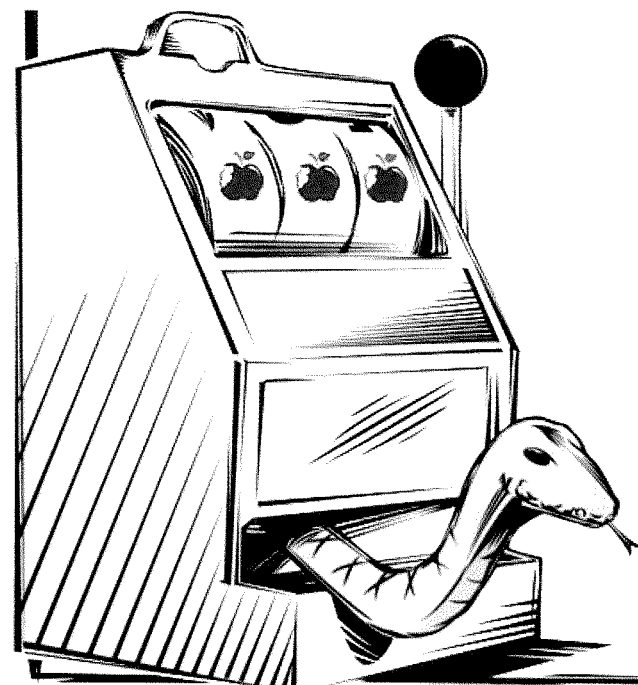
NATIONAL COALITION AGAINST LEGALIZED GAMBLING
100 Maryland Avenue NE
Room 311
Washington, DC, 20002
www.ncalg.org
800-664-2680

Brochure Rev. 8/20/04 by Carl Bechtold. Contact carl@spiritmountain.net with comments.

Attachment A

Legalized Gambling

THE INSIDE STORY



ARTWORK COURTESY KIP AOKI, HONOLULU STAR-BULLETIN

**Facts every citizen
should know before
gambling comes
to YOUR town**

WHY we care

Gambling brings addiction

When gambling appears in a community, it brings a wave of addiction. In a mature gambling market, compulsive gambling typically seizes the lives of 1.5% to 2.5% of the adult population. That amounts to three to five times the number of people suffering from cancer.

"Gambling is an addictive behavior, make no mistake about it . . . Gambling has all the properties of a psychoactive substance, and again, the reason is that it changes the neurochemistry of the brain."¹

The American Psychiatric Association says between 1% and 3% of the U.S. population is addicted to gambling, depending on location and demographics.² Youth have even higher addiction rates, between 4 and 8%.³

Proximity and poverty matter

Addiction rates double within 50 miles of a casino.⁴ Probable pathological gambling in Nevada in 2000 measured 3.5%. Other states ranged from 2.1% in North Dakota in 2000 to 4.9% in Mississippi in 1996.⁵ A casino within 10 miles of a home yields a 90% increased risk of its occupants becoming pathological or problem gamblers. Neighborhood disadvantage increases that risk another 69%.⁶ Slots and other gambling machines push susceptible players to the pathological level in an average of 1.08 years, vs. 3.58 years with more "conventional" forms of table and racetrack gambling.⁷

Gambling doubles bankruptcy.

It takes three to five years for gamblers in a newly opened market to exhaust their resources. When addiction ripens in the market, so do the social costs. The most recent study of all the casino counties in the nation confirmed personal bankruptcy rates are 100% higher in counties with casinos than in counties without casinos.⁸

Expect suicides.

A study of addicted gamblers revealed, "Between 20% and 30% of the respondents made actual suicide attempts. No other addictive population has had as high a prevalence for attempts."⁹ Nevada has been the highest in the nation for suicides for 10 of the last 12 years.¹⁰

Gambling increases crime

Desperate to "chase" and recover gambling losses, pathological gamblers often turn to crime. Fraud and embezzlement become common among formerly hard-working and highly trusted people. Violent crimes also increase. Three years after the introduction of casinos in Atlantic City, there was a tripling of total crimes. Per capita crime there jumped from 50th in the nation to first.¹¹ Comparing crime rates for murder, rape, robbery, aggravated assault, burglary and motor vehicle theft reveals Nevada is the most dangerous place to live in the United States.¹²

Real costs for everyone

Gambling costs more than raising taxes, even for those who NEVER gamble! Each compulsive gambler costs the economy between \$14,006 and \$22,077 per year.¹³ If 2% become addicted, that's \$280 to \$440 per year paid by every other citizen!

Trading jobs kills development

Most casinos attract 80% or more of their market from a 35-50 mile radius. Casinos absorb existing entertainment, restaurant and hotel business, and deplete dollars available to other retail businesses. That destroys other jobs in the trade area and eliminates their sales, employment and property tax contributions.¹⁴

Illegal gambling remains

Legalizing gambling does not reduce illegal gambling.¹⁵ Legalized gambling may even increase illegal gambling because untaxed illegal operators may offer better odds, bigger payoffs and loans that legal operations cannot. Patrons in gambling states feel gambling is generally legal and they are less averse to gambling in unlicensed establishments. Law enforcement in gambling states see illegal gambling as a state revenue issue rather than a criminal activity, and may be less motivated to investigate.

FOOTNOTES: (For more complete information and citations, visit www.ncalg.org)

¹ Shaffer, Howard, Harvard University Addictions department, cited by Kindt in *Managerial and Decision Economics*, 22: p. 17-63

² American Psychiatric Association, DSM-IV, p. 673.

³ Shaffer, H.J. & Hall, M.N. (1996) Estimating prevalence of adolescent gambling disorders: A quantitative synthesis and guide toward standard gambling nomenclature. *Journal of Gambling Studies*, 12, 193-214.

⁴ National Gambling Impact Study Commission, "Final Report" Sec. 4, p. 5.

⁵ Volberg, Rachel A., Ph.D. "Gambling and Problem Gambling in Nevada: Report to the Nev. Dept. of Human Resources," p. iii.

⁶ Welte, John W.; Wieczorek, William F.; Barnes, Grace M.; Hoffman, Joseph H. Reference cited in "The Relationship of Ecological and Geographic Factors to Gambling Behavior and Pathology" p. 15.

⁷ Breen, Robert B. and Zimmerman, Mark, "Rapid Onset of Pathological Gambling in Machine Gamblers" p. 2.

⁸ Gross, Ernie and Morse, Edward, "The Impact of Casino Gambling on Bankruptcy Rates: A County Level Analysis," p. 1.

⁹ Scherer, R. Keith; Thompson, William N.; Nakamura, Daryl, "Beyond the Limits of Recreation: Social Costs of Gambling in Southern Nevada," p. 4.

¹⁰ <http://www.suicidology.org/>

¹¹ Widgery, Robin, President of Social Systems, "Warning: Legal Gambling is a Costly Game," 1994 edition.

¹² Morgan Quatro Press, "Determining the Safest and Most Dangerous State Rankings" http://www.governmentguide.com/community_and_home/where_i_live/factors.asp

¹³ Grinols, Earl L., "Cutting the Cards and Craps, right thinking about gambling economics," p. 14.

¹⁴ Grinols, Earl L., *Gambling in America, Costs and Benefits*, p. 55-52.

¹⁵ Abt, Vickie, Ph.D., Univ. Penn. Cited in Executive Summary, *Casinos in Florida: An analysis of the Economic and Social Impacts*, for the Florida Office of Planning and Budgeting.

HOW you can help

Gambling expansionists spend hundreds of millions of dollars each year influencing lawmakers and voters. To counter their propaganda, we need to visit more communities, print more information and help more people. In short, we need contributions of time and money. Please be as generous as you can.

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**EXCERPTS FROM THE 2006 CALIFORNIA PROBLEM
GAMBLING PREVALENCE SURVEY**

**CALIFORNIA DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS
OFFICE OF PROBLEM AND PATHOLOGICAL GAMBLING**

**DATA COMPILED BY NATIONAL OPINION RESEARCH CENTER
UNIVERSITY OF CHICAGO**

past-year, monthly and weekly gamblers (see Table 6) by the number of adult Californians who participated in these activities at different rates in the past year (see Table 3).

Table 7: Comparing Gross Revenues and Estimated Losses by Gambling Venue

	2004 Gross Revenues	2005 Estimated Losses
Casino	\$5.78 billion	\$9.1 billion
Lottery	\$1.4 billion	\$1.7 billion
Track/OTB	\$800 million	\$426 million
Cardroom	\$655 million	\$591 million

Table 7 shows that there is a distinct lack of fit between reported gross revenues for tribal casinos in California and estimated losses among casino patrons as well as for gross revenues and estimated losses among racetrack bettors. Conversely, the fit between reported gross revenues for the California Lottery and the cardrooms and estimated losses among lottery players and cardroom bettors is quite good.

There are at least two likely reasons for the lack of fit between reported revenues and estimated losses for tribal casinos and racetracks in California. One reason is the well-known tendency for survey respondents to over-state their expenditures on some gambling activities, particularly casino table games and pari-mutuel betting. Another reason is our inability—using survey methods—to account for sources of gambling revenues derived from out-of-state players and, separately, high-end players. A substantial fraction of gambling revenues, particularly from casino table games and some pari-mutuel betting pools, have historically been derived from a very small number of high-end players. Due to the amount of money that these individuals put into play at casinos (and to a lesser extent in other games), any denomination of gambling in monetary units based on survey data will likely be missing this component (Volberg, Gerstein et al, 2004).

The Geography of Gambling in California

The relationship between increased access to legal gambling and the prevalence of at-risk, problem, and pathological gambling is important in light of the remarkable expansion of gambling throughout the U.S. and internationally over the last 25 years. Increased gambling opportunities create more problem and pathological gamblers by increasing the risk of exposure. As more people gamble, the risks are greater that individuals with specific vulnerabilities will gamble and develop problems related to their gambling. Major government reviews in the United States, Great Britain, Australia, and New Zealand have all concluded that increased gambling availability has led to an increase in

problem gambling and that future increases will generate additional problems (Abbott, 2001; Gambling Review Body, 2001; National Research Council, 1999; Productivity Commission, 1999).

One important goal of the California prevalence survey is to assess the distribution of gambling and problem gambling throughout the State in relation to geography. In this section, we examine the survey data in relation to gambling participation; we examine the data in relation to problem gambling in a later section (see *The Geography of Problem Gambling in California* on Page 66).

Data Sources and Analytic Approach

Respondent Data. The California survey included a series of questions designed to permit exploration of the proximity issue. Most pertinent here, we obtained the ZIP code of the respondent's primary residence to provide information comparable to the addresses of gambling regions and venues. Additionally, we asked all respondents their impressions regarding the number of casinos, racetracks, cardrooms, lottery outlets, and bingo halls within 20 minutes drive of their residence and we asked past-year gamblers how much time it took for them to get to each facility in which they last placed a bet during the year.

Regions of California. The Department of Alcohol and Drug Programs recognizes 15 sections of California, with each section including about four counties. In view of the size of the survey sample, we aggregated these 15 sections into six geographically contiguous regions as shown in Figure 2 on the following page. The regions varied in population from approximately 10 million in Los Angeles County (the only region comprised of a single county) to approximately 3 million in Upper Southern California, most of them living along the coast from Ventura to Santa Barbara and in the western corners of Riverside and San Bernardino counties, adjacent to coastal Los Angeles and Orange.

There are substantial differences in the demographic characteristics of the survey respondents residing in the six regions in California. Respondents in the Central and Upper Southern regions are least likely to be male while respondents in the Northern region are most likely to be male. Respondents in the Central region are most likely to be under the age of 40 while those in the Northern region are most likely to be age 40 and over. Respondents in the Northern region are the most likely and those in the Bay Area and Los Angeles regions the least likely to have been born in the United States. Finally, respondents in the Northern region are the most likely to be non-Hispanic Whites; respondents in the Los Angeles and Central regions are the most likely while those in the Bay Area and Northern regions are the least likely to be Hispanic; respondents in the Los Angeles region are most likely to be African American and respondents in the Bay Area are far more likely to be Asian than respondents in every other region of the state—50% more likely than

This table shows that average past-year casino losses increase significantly across the low-risk, at-risk and problem gambling groups with losses among problem and pathological gamblers just over ten times higher than among low-risk gamblers. Losses on private wagering and the lottery show a similar trend, increasing significantly as gambling problems increase. Past-year losses on horse race betting are significantly higher among problem gamblers compared with low-risk and at-risk gamblers. Past-year cardroom losses are significantly higher among problem gamblers compared with low-risk gamblers but the differences between low-risk and at-risk gamblers, on the one hand, and at-risk and problem gamblers, on the other, are not statistically significant. The differences in past-year losses on Internet gambling across gambler types are not statistically significant and none of the pairwise comparisons are significant for past-year losses on bingo.

When past-year losses are summed across the various venues, problem and pathological gamblers ($M = \$10831.80$, $SE = 1124.59$) recall losing significantly more money than either at-risk gamblers ($M = \$2590.72$, $SE = 326.03$) or low-risk gamblers ($M = \$918.22$, $SE = 95.35$) and at-risk gamblers recall spending significantly more money than low-risk gamblers ($F(2, 2670) = 210.85$, $p < .001$).

Proportion of Losses by Problem Gambler Type

We noted above that there is great interest among policymakers, regulators and other stakeholders in the question of the proportion of gambling revenues accounted for by problem and pathological gamblers. While there are difficulties in obtaining accurate information on gambling losses from survey respondents, it is possible to examine the proportion of reported losses accounted for by low-risk, at-risk and problem and pathological gamblers to obtain an approximation of how heavily different sectors of the legal gambling industry in California rely for revenues on problem and pathological gamblers.

Table 24 presents information about the proportion of losses accounted for by low-risk, at-risk and problem and pathological gamblers for the largest sectors of the gambling industry in California. This table shows that tribal casinos and cardrooms are the sectors of the gambling industry in California that rely most heavily on problem and pathological gamblers for revenues. As a group, problem and pathological gamblers account for over 50% of the losses reported by all of the respondents who gambled at a casino or cardroom in the past year. More generally, the data in this table indicate that problem and pathological gamblers account for much larger proportions of annual losses than their prevalence in the general population, or even among past-year participants in specific gambling activities, would suggest (see Table 14 on Page 63).

Table 24: Proportion of Losses Accounted for by Low-Risk, At-Risk and Problem Gamblers

	Total Estimated Losses	Low-Risk Gamblers %	At-Risk Gamblers %	Problem & Pathological Gamblers %	Sig.
Lottery	\$1.7 billion	51.4	16.6	32.0	<.001
Casino	\$9.1 billion	25.2	22.4	52.4	<.001
Track/OTB	\$426 million	48.9	9.2	41.9	.003
Cardrooms	\$591 million	17.2	28.1	54.7	.018

As we have noted elsewhere, there is evidence that all gamblers engage in a range of cognitive biases, including illusions of control, superstitions, erroneous beliefs, biased evaluation of outcomes, and distorted assumptions about randomness (Ladouceur & Walker, 1996). There is no scientific evidence at present to support the notion that problem gamblers' reporting errors are different from low-risk gamblers' reporting errors. However, if this were the case, then survey estimates of the proportion of losses for a particular game derived from problem gamblers or frequent players will be affected by these errors. Further research is needed to examine this issue in depth.

Physical, Mental, and Emotional Correlates of Problem Gambling

Physical and Mental Health

Table 25 presents differences between low-risk, at-risk and problem gamblers on several health-related dimensions. This table shows that problem gamblers are significantly more likely than at-risk or low-risk gamblers in California to identify their physical health status as poor or fair as opposed to good or excellent.

Table 25: Differences in Physical and Mental Health by Problem Gambler Type

	Low-Risk Gamblers (4982) %	At-Risk Gamblers (674) %	Problem & Pathological Gamblers (264) %	Sig.
General health poor to fair	20.5	26.5	36.2	<.001
Physical impairment	19.4	21.4	34.5	<.001
Mental impairment	4.0	5.3	11.6	<.001
Depression (past year)	12.2	20.3	37.0	<.001
Suicidal thoughts (ever)	7.9	13.1	19.7	<.001
Suicide attempt (ever)	2.3	4.5	8.0	<.001

Problem gamblers are also significantly more likely than at-risk or low-risk gamblers to acknowledge that they presently have a physical disability (including hearing problems, vision problems and mobility problems) or an emotional or mental disability. Finally, problem gamblers are significantly more likely than at-risk or low-risk gamblers to have experienced symptoms of major depression at some time in their lives and within the past 12 months and to have ever contemplated or attempted suicide.

Tobacco, Alcohol and Illicit Drugs

Table 26 presents information about tobacco, alcohol and illicit drug use among low-risk, at-risk and problem gamblers in California. This table shows that at-risk and problem gamblers in California are significantly more likely than low-risk gamblers to smoke cigarettes on a daily basis. The table also shows that past-year illicit drug use is significantly higher among at-risk and problem gamblers than among low-risk gamblers. Marijuana is the most frequently used illicit drug followed by tranquilizers, cocaine, other drugs (including club drugs, hallucinogens, opiates and inhalants) and methamphetamine. Past-year marijuana use is correlated generally with gambling-related problems and shows little variation in relation to problem level. Past-year tranquilizer, cocaine, methamphetamine and other illicit drug use is significantly higher among pathological gamblers compared with problem gamblers as is daily cigarette smoking (see Table XX in Appendix A).

Table 26: Tobacco, Alcohol and Drug Use Among Low-Risk, At-Risk and Problem Gamblers

	Low-Risk Gamblers (4982) %	At-Risk Gamblers (674) %	Problem & Pathological Gamblers (264) %	Sig.
Tobacco and Alcohol Use				
Daily cigarette use	12.3	25.9	29.0	<.001
Weekly alcohol use	18.3	21.2	15.4	.090
Largest # drinks in 24 hours (past year)				<.001
Didn't drink in past year	31.4	28.3	37.9	
1 - 2	44.8	26.5	32.9	
3 - 4	26.0	22.4	20.7	
5 - 7	15.6	21.3	19.5	
8 or more	13.7	29.8	25.8	
Drug Use				
Past year marijuana use	8.2	16.7	17.4	<.001
Past year tranquilizer use	1.5	3.3	5.8	<.001
Past year cocaine use	1.0	2.7	3.4	<.001
Past year other drugs	1.0	1.3	4.2	<.001
Past year methamphetamine use	0.7	1.9	4.6	<.001

Given the abundance of research demonstrating a link between alcohol misuse and gambling-related problems, it is surprising that the relationship between weekly alcohol *consumption* and gambling-related problems in California is not statistically significant. An even more surprising finding is that problem gamblers in California are the least likely respondents to have consumed *any* alcoholic beverages in the past year. Despite significantly lower rates of past-year alcohol consumption, the lifetime rate of help-seeking for an alcohol or drug problem is significantly higher among problem gamblers than among low-risk or at-risk gamblers. Among respondents who had consumed alcohol in the past year, 4% of low-risk gamblers and 7% of at-risk gamblers have ever sought help for problems related to their drinking or drug use compared with 10% of problem gamblers and 23% of pathological gamblers ($p < .001$).

Family, Indebtedness and Criminal Justice Impacts

Table 27 shows differences in the impacts of problematic gambling on family, indebtedness and the criminal justice system among low-risk, at-risk and problem gamblers in California. This table shows that problem gamblers in California are significantly more likely than low-risk or at-risk gamblers to have been troubled in the past year by the gambling involvement of someone they know. Respondents who have been concerned about the gambling of someone with whom they do not live are most likely to have been concerned about a friend or acquaintance (59%), followed by immediate family members (18%, primarily siblings and parents) and extended family members (15%). This table also shows that problem gamblers in California are significantly more likely than low-risk or at-risk gamblers to have been troubled by the gambling of someone they lived with in the past year. Respondents concerned about the gambling of someone they live with are most likely to have been concerned about a spouse or domestic partner (36%), followed by immediate family members (24%) and friends or acquaintances (23%). While low-risk and at-risk gamblers are most likely to have been concerned about a spouse or domestic partner, problem gamblers are most likely to have been concerned about a friend or family member.

In a further indication of the impact of problem gambling on families, respondents who answered the problem gambling questions in the survey were queried at the end of this section about whether they had ever argued with a family member about their gambling to the point where it became emotionally harmful. When asked if they had ever argued with a family member about their gambling, 2% of at-risk gamblers, 10% of problem gamblers and 29% of pathological gamblers replied that they had argued about their gambling to the point where it became emotionally harmful.

Table 27: Differences in Family, Financial and Criminal Justice Impacts by Problem Gambler Type

	Low-Risk Gamblers (4982) %	At-Risk Gamblers (674) %	Problem & Pathological Gamblers (264) %	Sig.
Troubled by someone else's gambling	12.0	15.0	30.3	<.001
Troubled by gambling of s'one you live with	2.4	3.6	8.0	<.001
Household debt				<.001
None	19.4	16.3	26.8	
Less than \$10,000	18.8	25.1	17.7	
\$10,000 - \$200,000	33.8	33.6	33.3	
\$200,000 or more	28.0	25.1	22.1	
Don't know or refused	16.1	11.2	6.9	
Ever filed for bankruptcy	7.9	9.0	11.3	.105
Ever arrested	13.5	25.0	35.1	<.001
Ever incarcerated	6.3	11.1	20.5	<.001

This table also shows that there are significant differences among low-risk, at-risk and problem gamblers in California with regard to amounts of household debt, including car loans, student loans, credit card debt, mortgages and other loans. However, the difference is only significant because low-risk gamblers are much more likely to claim that they do not know the extent of their indebtedness or refuse to answer the question while problem gamblers are much more likely to say that they do not have any household debt. In contrast to similar surveys in other jurisdictions, there is no significant difference in rates of bankruptcy among low-risk, at-risk and problem gamblers.

Finally, this table shows that problem gamblers in California are significantly more likely than low-risk or at-risk gamblers to have ever been arrested and incarcerated. As Table A-29 in Appendix A shows, pathological gamblers, in turn, are significantly more likely than problem gamblers to have ever been arrested and ever incarcerated, suggesting that the magnitude of criminal justice impacts increases with problematic gambling status.

Item 3a.

**CITY OF LODI
PLANNING COMMISSION
Staff Report**

MEETING DATE: June 24, 2009

APPLICATION NO: Use Permit: 09-U-03

REQUEST: Request for Planning Commission approval of a Use Permit to allow a Type 48 on-sale General ABC license at 17 West Pine Street. (Applicant: Sonny Keophimane. File Number: 09-U-03)

LOCATION: 17 West Pine Street
APN: 043-035-18

APPLICANT: Sonny Keophimane
2715 West Kettleman lane Suite 203-192
Lodi, CA 95242

PROPERTY OWNER: SMH Properties LLC
39 North Sacramento Street
Lodi, CA 95240

RECOMMENDATION

Staff recommends that the Planning Commission conditionally approve the request of Mr. Sonny Keophimane for a Use Permit to allow a Type-48 on-sale General ABC license at 17 West Pine Street, subject to the conditions in the attached resolution.

PROJECT/AREA DESCRIPTION

General Plan Designation: DC, Downtown Commercial

Zoning Designation: C-2, General Commercial.

Property Size: 5,500 square feet.

The adjacent zoning and land use are as follows:

North: C-2, General Commercial. The uses north of the project site are a mixture of retail commercial, offices and service businesses that are part of the downtown commercial area.

South: C-2, General Commercial. There are a variety of commercial uses to the south, including retail stores, offices, and eating establishments. This area is included in the downtown area that extends south to Lodi Ave.

East: C-M, Commercial-Light Industrial. The uses east of the project site includes a mixture of uses such beauty salons, offices, and commercial establishments. Across Sacramento Street is the City's parking structure and south of the parking structure is the City's multi-modal station and train depot. Across the tracks to the east is a fruit packing shed and Main Street, an older mixed use commercial area.

West: C-2, General Commercial. The area to the west is the main downtown area along School Street and Church Street. Both streets are lined with a variety of commercial businesses, including retail, service and office uses. There is also a

significant number of eating and drinking establishments concentrated in the downtown area.

SUMMARY

The applicant, Mr. Sonny Keophimane, is requesting approval for a Use Permit to allow a Type 48 on-sale General ABC license at 17 West Pine Street. As proposed, the project will be executed in two phases. The first phase will be limited to the first floor and will focus on opening a bar with limited live entertainment. The second phase will see the opening of wine tasting facility on the second floor. According to the applicant, the wine tasting facility will be used to promote the sale of locally produced wines. The proposed hours of operations for the bar/wine tasting facility are from 3:00 pm to 1:30 am Monday thru Saturday. The applicant also has applied for a live entertainment permit including live bands and dancing. The live entertainment request will be reviewed administratively by the Police Department and Community Development Director. The Lodi Improvement Committee and the Lodi Police Department have reviewed the applicant's request and have recommended approval of the request.

BACKGROUND

The applicant is requesting to open a bar, wine tasting and occasional live entertainment events at 17 West Pine Street. This location has historically been used for a variety of businesses. A bar/ is a permitted use at this location. The applicant has submitted floor plan that identifies the location of the office, storage room, bar area, restrooms and dance floor. The subject building has a basement and a second floor. The basement is occupied by a printing business (Abrahamson Printing Inc). The printing business is open 7:00 am to 3:00 pm Monday- Friday. The second floor is vacant and is part of this project. According to the applicant, the second floor will be used to house a wine tasting facility. As part of this project the applicant will be required to update the entire premise to satisfy Building and Fire Code requirements. The applicant has been made aware of these requirements. However, the applicant would like to obtain a Use Permit before incurring expenses related to building permit.

ANALYSIS

As previously noted, the applicant is seeking to secure an ABC License Type 48 On-sale General to allow a bar to be named the Zin Lounge at 17 West Pine Street. The project will be executed in two phases. The first phase will be limited to the first floor and will focus on opening a bar with limited live entertainment. The second phase will see the opening of wine tasting facility on the second floor. According to the Department of Alcoholic Beverage Control, Type 48 ABC license permits on-site sale of beer, wine and distilled spirits for consumption on the premises where sold. Type 48 also authorizes the sale of beer and wine for consumption off the premises where sold provided off sale consumption is ancillary to on sale and receipts from off sale consumption do not exceed receipts from on-sale consumption.

Section 17.72.040 of the Lodi Municipal Code requires a Use Permit for new On-Sale liquor licenses. The City established the Use Permit requirement to maintain local control over whether or not the sale of alcohol is appropriate for a particular location. The State Department of Alcoholic Beverage Control primarily controls issuance of new liquor licenses based on existing concentration of licenses within a particular census tract. Census Tract 42.04 covers the area south of Holly Drive, west of the Sacramento Street, north of Lodi Avenue, and east of Ham Lane. Because this census tract includes most of the downtown area where there are many restaurants and bars, there is an existing over-concentration of ABC licenses.

The subject census tract is allows four (4) ABC Licenses. However, it has thirty-one (31) Licenses. Most of these Licenses belong to restaurants. There are only four (4) Type-48 On-Sale General Bar-Nightclub Licenses in this census tract. Because this census tract is over-concentrated, the Planning Commission must make a finding of public necessity or convenience

in order to approve an additional general on-sale license for this census tract. This finding must be made in addition to the determination that the proposed land use is appropriate for the location and consistent with the General Plan and Zoning standards for the property.

While there is an over concentration of liquor licenses in this census tract, it would not be unexpected in the downtown district. Generally downtowns have a higher concentration of eating and drinking establishments than the rest of the city. The Lodi Downtown Guidelines specifically call out drinking and eating establishments as the type of businesses that are encouraged. The Downtown area is designed to function, in part, as an entertainment center to attract people and activity to the downtown, particularly at night and on weekends. The presence of people, particularly pedestrians, creates vitality on the streets and helps to create an overall sense of safety in the evening hours. This operation would be similar to other establishments within the Downtown the Planning Commission approved in the past. The Community Development Department has determined that the applicant's request for a Use Permit can meet the criteria for the finding of public convenience.

The applicant has proposed hours of operation from 3:00 p.m. to 1:30 a.m. Monday through Saturday. Staff contacted the following bars within the Downtown District to compare their business hours:

Name Bars	Hours
Stooges of Lodi	3:00 p.m. – 1:00 a.m. Monday – Saturday Sundays – Closed.
Garry's Lounge	11:00 a.m. – 1:00 a.m. Monday – Thursday 11:00 a.m. – 2:00 a.m. Friday – Saturday Sundays – Closed.
Ollie's Tavern	11:00 a.m. – 11:00 p.m. Monday – Thursday 11:00 a.m. – 1:00 p.m. Friday – Saturday Sundays – Closed.
Last Call (former Mojo's location)	11:00 a.m. – 2:00 a.m. Daily

Based on other comparable bars within the downtown area, the applicant's proposed hours of operation for the bar are reasonable and consistent. Abrahamson Printing Inc, which located in the basement of the subject building, is open 7:00 am to 3:00 pm Monday- Friday. The proposed hours would not interfere with the existing businesses or hours of operation. Staff feels that the proposed hours are acceptable and would give the applicant's business opportunity to thrive. Further, if problems arise, City staff and/or the Planning Commission may initiate a public hearing where the Commission would have the ability to amend the Use Permit conditions or, as a last resort, revoke the Use Permit.

The applicant has applied for a live entertainment permit. As described by the applicant, live entertainment events will be occasional and limited in scope. The live entertainment permit will be reviewed by the Police Department and the Community Development Director. Live entertainment hours, if approved, will be limited to Friday and Saturday evenings between the hours of 8:00 p.m. and 1:00 a.m., excluding recognized holidays and private events. All live entertainment events will be limited to the interior of the building. Further, the applicant will be required to provide a minimum of three security staff present during every live entertainment event and one additional security staff for every 25 patrons. All persons responsible for security for the business will be required to have training as State-licensed security personnel.

The project has the potential to change ambient noise above the City's noise threshold. The City's Noise Ordinance allows an increase in ambient noise levels of 5 dBA increments to encompass ambient noise levels, which include varying sound levels at different lengths of time. In the event the project increases the ambient noise levels above the City's threshold, the applicant will be required to undertake building modifications to ensure nearby residents are not unduly affected by noise emanating from the club. To minimize overall sound levels and to meet conformance with the Noise Ordinance, the applicant will be required to install noise mitigation measures where the ambient dBA levels do not exceed the allowable 5 dBA ambient levels. The operator of the business will be required to increase the mass to the building's envelop to provide greater frequency sound attenuation and/or retrofit with additional building materials to provide satisfactory noise attenuation. As an added measure to ensure that noise levels generated from the bar/nightclub comply with the Noise Ordinance, final sound measurements will need to be taken then submitted to Planning staff before the business opens to the public (Condition 13). If the final measurements indicate that additional noise attenuation is needed, and if final sound measurements do not conform to the Noise Ordinance, the applicant/operator shall provide added measures to comply with the Noise Ordinance. Failure to comply with this requirement will subject the Use Permit to revocation.

Staff has contacted the Lodi Police Department for comment on the proposed Use Permit application. The Police Department recommends approval of this request (Attachment 4). The Police Department has reviewed the requested alcoholic beverage sales. The Police Department have communicated their expectation for this business to the applicant and are willing to work with the applicant and suggest ways in which the business can be operated in a manner that will limit law enforcement problems. Further, the applicant will be required to provide a minimum of three security staff present during every live entertainment event and one additional security staff for every 25 patrons. All persons responsible for security of the business will be required to have training as State-licensed security personnel.

Based on past precedents, staff believes that findings can be made to approve the requested Use Permit. This Use Permit request, as conditioned, is similar to other approvals granted by the Planning Commission including Casa Mexicana restaurant on Kettleman Lane, La Luna restaurant on Cherokee Lane, and Last Call on 114 North Sacramento Street where a bar/nightclub is slated to open soon. The applicant has the burden of proof to demonstrate that they will be proactive in complying City codes. The applicant has indicated their desire to modify the building to effectively resolve noise related concerns. It is important to note that granting this Use Permit would not automatically enable the applicant to neither open the business nor impair the City from effectively enforcing applicable City regulations. Approval of the Use Permit would only enable the applicant to undertake steps to sign a lease, sound proofing the building, make internal improvements. Considering the applicant doesn't want to start modifying the building without a securing a Use Permit, and since the bar/nightclub cannot start operation until the City approves it, staff recommends that the Planning Commission approve the applicant's request subject to the attached resolution.

ENVIRONMENTAL ASSESSMENT:

The project was found to be categorically exempt according to the California Environmental Quality Act, Article 19 15321 Class 21 (a) (2). The project is classified as an "Enforcement Action by Regulatory Agencies" because it is the "adoption of an administrative decision or order enforcing...the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective." The project was also found to be categorically exempt according to the California Environmental Quality Act, Article 19 15332 Class 32 (a) (b) (c) (d) and (e). The project is classified as in-fill development meeting the conditions described therein.

No significant impacts are anticipated and no mitigation measures have been required. No significant impacts are anticipated and no mitigation measures have been required.

PUBLIC HEARING NOTICE:

Legal Notice for the Use Permit was published on May 30, 2009 and June 13, 2009. 42 public hearing notices were sent for both meetings to all property owners of record within a 300-foot radius of the subject property as required by California State Law §65091 (a) 3.

ALTERNATIVE PLANNING COMMISSION ACTIONS:

- Approve the request with attached or alternate conditions
- Deny the request
- Continue the request

Respectfully Submitted,

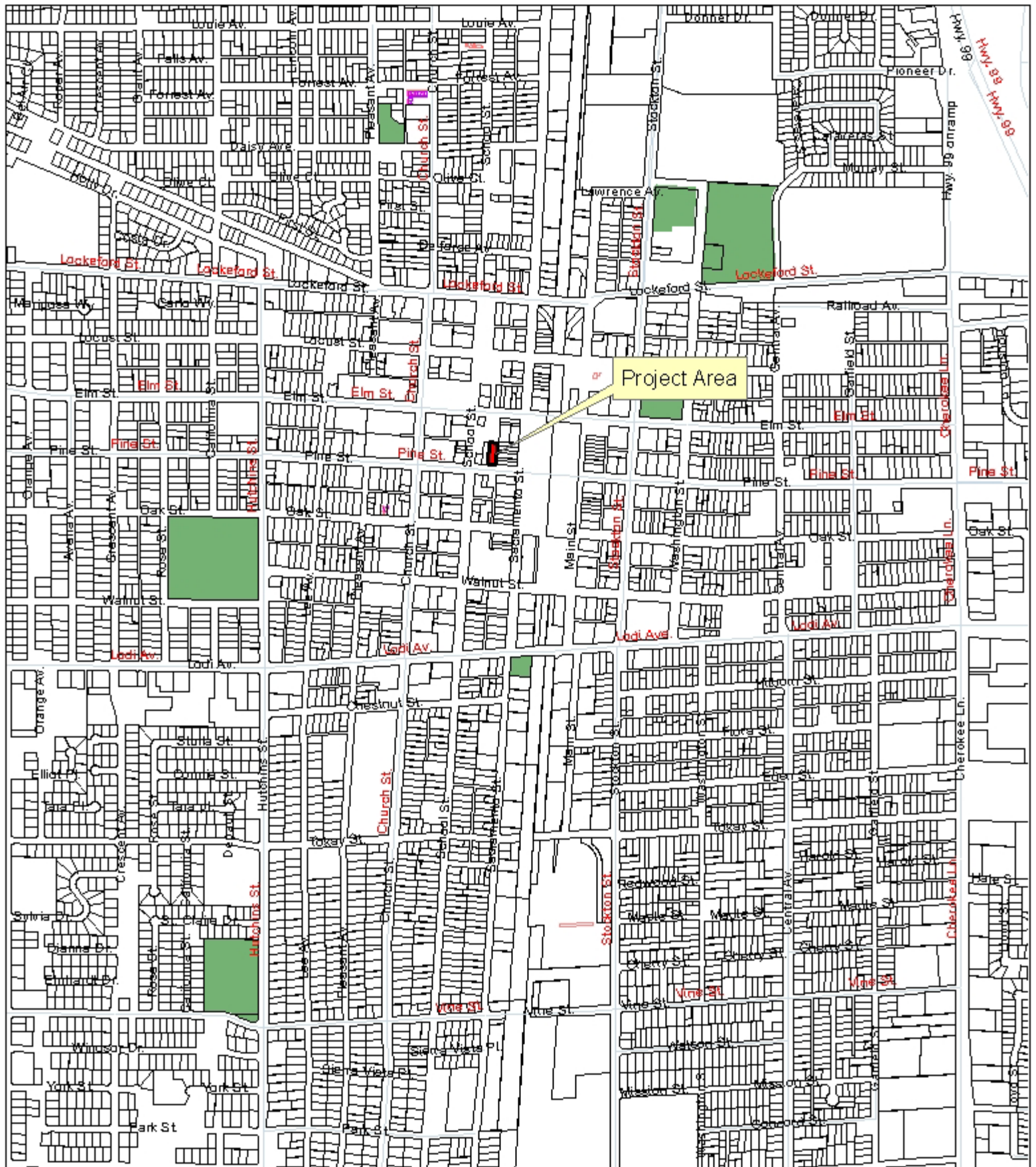
Concur,

Immanuel Bereket
Assistant Planner

Konradt Bartlam
Community Development Director

ATTACHMENTS:

1. Vicinity Map
2. Floor Plan
3. Applicant's Business Description
4. Police Department Approval
5. Protest Letter
6. Draft Resolution



Legend

 Project Area

Vicinity Map

0.00 0.05 0.1 0.15 0.2
Miles

Albers Projection
Central Meridian: -96
1st GM Parallel: 30
2nd GM Parallel: 60
Latitude of Origin: 40





The Zin Lounge

Executive Summary

A. Executive Summary-

Introduction:

The Zin Lounge will be a premier, high end, wine bar and lounge in Lodi, California. The objective of The Zin Lounge is to enhance the existing culture, atmosphere, and the upscale environment of the downtown Lodi area. Our aim is to collaborate with local wineries and businesses to revolutionize the way people experience wine tasting, libations and live entertainment within downtown Lodi. We seek to continue to help improve the looks of downtown Lodi and add to its already existing culture and feel. The Zin Lounge will have an energetic, modern atmosphere where patrons will feel as though they have entered an environment where they can relax, be themselves, and enjoy the great feel of Lodi. To better serve our clientele The Zin Lounge will have monthly local wineries premier their wines with tastings and pourings. Additionally, The Zin Lounge will host live performances by local artists and musicians.

B. Objectives of The Zin Lounge

- Highly publicized 2009 summer grand opening
- Create an upscale environment for an adult crowd to wine taste, enjoy live entertainment, relax, network, and enjoy the already existing feel of downtown Lodi.

C. Keys to The Zin Lounge's Success

- Provide exceptional service that leaves a positive and lasting impression on its patrons.

- Invite local business, and wineries on a regular basis to help promote local business and local wines.

Company Summary

A. Company Summary Breakdown

Key elements of The Zin Lounge are as follows:

1. Location:

The Zin Lounge will be located at 15 West Pine Street, Lodi, CA

Exceptional Service:

The Zin Lounge is dedicated to maintaining the highest level of professionalism and excellence in customer service. Hostesses, servers, bartenders, security, and all other personnel will attend mandatory meetings and occasional training courses on how to communicate effectively with cliental and all levels of organization. Employees will be recognized and awarded for their exceptional and excellent service. As a result clients will be treated with the utmost respect and care to ensure that they have a memorable experience. Customer service at The Zin Lounge will not be a department, or the job of a manger, it will be a philosophy adopted by all employees.

Security will also be of the highest caliber; The Zin Lounge understands the need for quality security service and will ensure the highest standards of professionalism of any establishment. The Zin Lounge will be working very closely with the Lodi Police Department on a regular basis to assure that this philosophy is enforced. The Zin Lounge is committed to providing you, your family and their business with the highest trained and experienced personnel ensuring your safety.

Company Ownership

The Zin Lounge consists of three partners: Rodney Paiste, Ermelindo Paiste, and Sonny Keophimane.

Rodney Paiste's Biography:

Rodney Paiste was born in Lodi, CA and has lived here a majority of his life. Rodney was accepted to attend California State University Sacramento in the fall of 1999. Rodney began his education and eight years of experience in the promotion industry within the city of Sacramento area. During his years at CSUS Rodney began his career and gained experience with the ownership of a promotion company called Good Times Events. Owning and operating this business has given him the skills necessary to own and oversee a profitable lounge and wine bar business within his home town of Lodi, CA. Rodney's promotion experience has also given him the opportunity to implement themed events that has lead to an increase in weekly attendance and revenue, and piloted his promotion company to also implement live entertainment, and community events to the city of Sacramento. With Rodney's knowledge and experience and his management team's dedication and motivation this lucrative project will thrive and result in both short and long term profits.

Ermelindo Paiste's Biography:

Ermelindo's experience lies in the restaurant and service industry. He has worked as a server since 1999 for Pietro's Italian Restaurant in Lodi, CA, a very prominent

restaurant, and a piece of Lodi history, owned by Jim Murdaca. Ermelindo has resided in Lodi, CA his entire life and is very familiar with the Lodi area and the community. Ermelindo is very innovative and creative when it comes to new ideas and attacking challenging issues to maximize profitability. Ermelindo's experience coupled with his youthful enthusiasm make him a perfect fit for The Zin Lounge.

Sonny's Biography:

Sonny's experience has been within the business management industry. He has owned and operated a total of two different business ventures, a carpet cleaning business and a towing business. There are people driven by passion and those who are driven by cause. Sonny is one of the few driven by both. Sonny currently manages the internet division of Swift Dodge's department of online automobile sales. His experiences and current responsibilities will run parallel with The Zin Lounge's philosophy and business ethics. His wisdom and understanding of how businesses are run will keep The Zin Lounge at the top of its game.

The relationships and respect that all the partners share for one another in conjunction with their vast experiences in the industry motivate them to remain focused on their quest to bring the downtown Lodi wine lounge and bar industry up to its fullest potential.

Start Up Summary

The Zin Lounge will mainly be funded with personal assets and loans. They are also seeking a short term loan for the architectural design, construction and start-up costs of establishing, advertising and operating a new entertainment venue in downtown Lodi. In order to accomplish the

goal referenced above The Zin Lounge is seeking funds in the amount of one hundred and fifty thousand dollars. The Zin Lounge will utilize the anticipated loan to renovate the property on which to construct and furnish the entertainment venue.

Business Description

A. Business Description

The Zin Lounge concept, prime location, upscale clientele and lack of direct competition are major advantages to this project. Currently, there are very few places for wine enthusiasts, and successful professionals to be catered to and pampered in the Lodi area. As a result many Lodi residents must travel out of the area in order to absorb in an atmosphere where they can relax, resulting in a huge loss of earnings for the city of Lodi. The proposed venue will provide a local solution for an upscale Lodi crowd.

The Zin Lounge's target demographic will be professionals in their late twenties, and early thirties, but its primary focus will be on the sophisticated, mature, established crowd over the age of 30. The Zin Lounge's hours of operation will be from 3:00 p.m. until 1:30 a.m. six days a week.

Market Analysis Summary

A. The Zin Lounge envisions as appealing to three major markets:

1. **Professionals.** Data from the 2000 Census indicates that there are approximately 34,844 people between the ages of 21 and 70 in the Lodi area. As Lodi and the surrounding areas continue to grow, the number of people seeking sophisticated, wine and libation experiences will increase, thus increasing the number of perspective clients at The Zin Lounge.

2. **Walk In and Business Travelers.** The number of business professionals and tourists that find their way to Lodi every year is growing. The Zin Lounge will capitalize on this abundant market by establishing working relationships with local wineries, hotel owners and people within the Lodi community in order to solicit potential customers seeking elite wine tasting, libations and relaxation.
3. **Referrals.** The number of referrals currently resides at 0%; The Zin Lounge is looking to increase this by 25%, allowing The Zin Lounge to create value and exclusivity to their brand name and service.

Target Market Segment Strategy

The business strategy of Zin Lounge is based on serving our niche markets exceptionally well. The successful professional, the visiting tourist or business traveler, and our referred clientele will all find the finest service, the most inviting atmosphere and the most exclusive products that meet their specific needs at The Zin Lounge.

Market strategy essentials:

- Exceptional service
- Advertisement of the unique features and monthly events created at The Zin Lounge
- Focus on target markets

Service Business Analysis

Wine bars and lounges have significantly impacted California in the mid 2000's by focusing on a modern, invigorating, yet Zen-like tranquil experience for the customer; however, few were able to follow through with this concept. This relatively simple

concept is still very popular today, however, these concepts have evolved considerably since their inception. In recent years this industry has become more sophisticated with the availability of cutting edge technology and products. Lodi has yet to capitalize on this market and no one has become a pioneer in this specific segment of the industry yet, which The Zin Lounge will do.

The Zin Lounge has two dimensions of cash flow: spirits/wine sales, and live entertainment.

Main Competitors

A review of the market shows that there are three venues that can be considered direct competition for The Zin Lounge: Lodi Beer Company, Rosewood and Gary's Lounge.

Establishment A: Lodi Beer Company

Hours of operation: 11:00 a.m. to 10:00 p.m. Sunday through Thursday

Friday and Saturday 11:00 a.m. to 12:00 p.m.

Establishment B: Rosewood

Hours of operation: 5:30 p.m. to 9:00 p.m. Sunday through Thursday

Friday and Saturday 5:30 p.m. to 10:00pm

Establishment C: Gary's Lounge

Hours of operation: 10:00 a.m. to 1:30 a.m. Monday through Sunday

Strategy and Implementation Summary

A. Strategy And Implementation Summary

The first strategy for The Zin Lounge is to place emphasis on exceptional service for each of our clients by establishing a number of organizational tactics to ensure an incomparable experience for every person that enters The Zin Lounge. The Zin Lounge will effectively defy the notion that you can't get good service anymore. Research conducted by The Zin Lounge indicates that consumers think of atmosphere, pricing, and quality as equally important aspects in determining where they will spend their money. Additionally consumers mentioned frequently that if the atmosphere of the venue and the quality of the service was at the highest level, they would be willing to pay more for the experience.

Our second strategy is emphasizing entertainment. The strategy is simple: interactive entertainment and unique live shows. Our specific programs for interactive entertainment include frequent wine tastings with local wineries, live performances by local musicians and dancing. All events will be emceed by an in-house DJ who is in charge of event programming. There will be areas within the lounge that will provide patrons with a fun, alternative way to socialize with other individuals.

Our third strategy includes retaining our initial clients and continuing to build our customer base by maintaining our same supreme level of service and enthusiasm every night. The necessary tactics to build our clientele both while The Zin Lounge is fostering its client base and after the popularity of The Zin Lounge has been established will

include our value based employee training, building maintenance and attention to detail for all clients. The Zin Lounge will not just market and sell another local pub or watering hole; we will deliver on our promise of quality service and a unique guest experience.

Marketing Strategy

A medium growth city such as Lodi has an annual influx of new residents from the bay area where wine drinking is more than just sipping from a wine glass, wine is more about making a statement! It is a statement of stature and status. At The Zin Lounge we will offer these newly established citizens a place to create that statement!

The Zin Lounge's advertising budget will allow for multi-media marketing. Also, event promotions will be an ongoing process geared at promoting the Zin Lounge brand name and keeping The Zin Lounge at the forefront of the wine and spirits industry in Lodi, and the surrounding areas.

Our strategies and practices and the way we market The Zin Lounge are outlined below:

- Advertising—The Zin Lounge will develop a core positioning message advertising The Zin Lounge and the Zin Lounge lifestyle. The Zin Lounge will also establish a working relationship with all local media such as radio, print and video media.
- Grand Opening – The Zin Lounge will concentrate a substantial portion of our early advertising budget on the grand opening in order to galvanize the local population of Lodi and the surrounding area.

A grand opening celebration will be held to launch The Zin Lounge in the summer of 2009. The first dimension of advertising will be the utilization of local news

coverage. Giving local news channels and newspapers updates on the construction process until the opening day and giving them a live tour of The Zin Lounge will help to build more anticipation for our grand opening.

The second element for advertising The Zin Lounge will focus on electronic advertisement. By utilizing internet advertisements, a regularly updated website, e-mail, and messaging potential clients on their cell phones and blackberries, The Zin Lounge seeks to reach out to customers using multiple, effective electronic strategies.

Management Summary

The management team will consist of Edward Augustine as Operations Manger. Edward and Rodney met each other during co-operating Good Times Events, where they realized they had a lot in common in regards to an eye for the service industry. They have had a friendship and a successful working relationship for 7 years. Edward has experience in high volume night club operations. He has operated a total of four different night clubs including Avalon, Dream Ultra Lounge, Cabana, and Social all located in Sacramento, CA.

A. Management Team

1. Edward Augustine, Operations Manager

Edward's specific responsibilities will lie primarily with the coordination of events and oversight of the operations of The Zin Lounge, along with public relations with magazines, talent managers, and the general public.

2. To be Announced, Bar Manager

The Bar Managers specific responsibilities will be administrative management including inventory for the bar, purchasing for the bar, and server scheduling.

B. Legal Advisory Team

We believe that we have a solid team constructed in order to cover the main points of the business plan; however, we realize that we may not have the hands on specific knowledge of the law that is needed to open and maintain a successful business. For this aspect of the project The Zin Lounge feels that it is best to receive advice from the law firm of Mullen, Sullivan & Newton, LLP. The attorney for The Zin Lounge is:

1. Trenton M. Diehl T.Diehl@lodilaw.com

Admitted to bar in December 2005

Undergraduate Education: Sonoma State University (2001).

Legal Education: McGeorge School of Law (2005).

Affiliation/s: Order of the Coif; Order of the Barristers; San Joaquin County Bar

Association; California State Bar; Eastern District of California; Consumer Advocates of California.

Immanuel Bereket

From: Gary Benincasa
Sent: Thursday, May 21, 2009 8:48 AM
To: Immanuel Bereket
Subject: 2 W. Lockeford St. & 17 W. Pine St.

Manny,

I apologize; I forgot to get back to you on those two use permits yesterday. We reviewed them and have no issues with either plan.

Gary

Captain Gary Benincasa
215 W. Elm St.
Lodi, CA 95240
(209) 333-6726
gbenincasa@pd.lodi.gov

Kari Chadwick

From: Sheri Didreckson [sheri@sheris.com]
Sent: Monday, June 08, 2009 5:05 PM
To: Immanuel Bereket
Cc: Kari Chadwick
Subject: 17 W. Pine St.

Dear Planning Commission,

My husband and I both are opposed to the proposed request for an ABC license at 17 W. Pine St.

We have seen several times what happens when people drink too much. We personally have to clean up vomit several times through out the year. We deal with damage to our parking lot, window being damaged and our awning used as a jungle gym. Along with the security factor of our business and also our property, we are totally against this type of business.

Downtown Lodi already has way too many bars, wine tasting places, and now another one wants to open up. When is enough, enough? Is the goal to turn School St and the surrounding streets into another skid row? Have any of you ever walked the streets of downtown Lodi late on weekends to see what really goes on? Sometimes, you can even see this happening in daylight!

Please try and see our point of view. We try very hard to be good citizens!!!!

Sheri & Darrell Didreckson

P.S. Our landlord Moe Kazimi should also be sending you his letter as he to agrees with our position and does not want this kind of business permitted.



Sheri Didreckson



Sheri's Sunshine Nutrition Center

6 N. School St. Lodi, CA 95240

209 368-4800

M-F 9-6 SAT 10-5 SUN 12:30-4:30

Visit our website at: www.sheris.com

RESOLUTION NO. P.C. 09-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LODI APPROVING OF THE REQUEST OF SONNY KEOPHIMANE FOR A USE PERMIT TO ALLOW FOR AN ON-SALE BEER, WINE AND DISTILLED SPIRITS ALCOHOLIC BEVERAGE CONTROL LICENSE AT 17 WEST PINE STREET

WHEREAS, the Planning Commission of the City of Lodi has heretofore held a duly noticed public hearing, as required by law, on the requested Use Permit, in accordance with the Lodi Municipal Code, Section 17.72.070; and

WHEREAS, the project proponent is Sonny Keophimane, 2715 West Kettleman Lane Suite 203-192, Lodi CA 95242; and

WHEREAS, the project is located at 17 West Pine Street, Lodi Ca 95240; and

WHEREAS, the project parcel has a General Plan designation of Downtown Commercial and is zoned C-2, General Commercial; and

WHEREAS, the project parcel is owned by SMH Properties LLC., 39 North Sacramento Street, Lodi, CA 95240 (APN 043-035-18) and:

WHEREAS, the requested use permit to allow the sale of beer, wine and distilled spirits for on-site consumption within a bar/nightclub is an enforcement action in accordance with the City of Lodi Zoning Ordinance; and

WHEREAS, Census Tract 42.04 in which the proposed bar/nightclub is located currently has an over concentration of ABC licenses allowing on premise consumption of alcoholic beverages; and

WHEREAS, because Census Tract 42.04 has an over concentration of on-sale general alcohol licenses, the Planning Commission must make a finding of necessity or public convenience in order to permit the issuance of an additional Alcohol Beverage Control license in this tract; and

WHEREAS, the State Department of Alcoholic Beverage Control has training available that clearly communicates State law concerning the sale of alcoholic beverages.

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

Based upon the evidence within the staff report and project file the Planning Commission finds:

1. The project was found to be categorically exempt according to the California Environmental Quality Act, Article 19 15321 Class 21 (a) (2). The project is classified as an "Enforcement Action by Regulatory Agencies" because it is the "adoption of an administrative decision or order enforcing...the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective." The project was also found to be categorically exempt according to the California Environmental Quality Act, Article 19 15332 Class 32 (a) (b) (c) (d) and (e). The project is classified as in-fill development meeting the conditions described therein. No significant impacts are anticipated and no mitigation measures have been required. No significant impacts are anticipated and no mitigation measures have been required.
2. The sale of alcoholic beverages for on-premise consumption as part of a bar/nightclub is a permitted use in the Downtown Commercial zone.
3. The sale of alcoholic beverages for on-premise consumption is a normal part of business operations and provides a convenience for customers of the business.
4. The sale and consumption of alcohol can sometimes result in customer behavior problems that can require police intervention.

5. Steps can be taken by the Applicant/Operator to reduce the number of incidents resulting from the over-consumption of alcohol including the proper training and monitoring of employees serving alcohol; the careful screening of IDs of customers to avoid sales to under-aged individuals; limiting the number of drinks sold to individual customers to avoid over-consumption; providing properly trained on-site security to monitor customer behavior both in and outside of the establishment; and working with the Lodi Police Dept. to resolve any problems that may arise.
6. The proposed use can be compatible with the surrounding use and neighborhood if the business is conducted properly and if the Applicant/Operator works with neighboring businesses and residents to resolve any problems that may occur.
7. The sale of alcoholic beverages at this location can meet the intent of the Downtown Guidelines and can provide a public convenience or necessity for customers of the business.

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Planning Commission of the City of Lodi that Use Permit Application No. 09-U-03 is hereby approved, subject to the following conditions:

1. The developer will defend, indemnify, and hold the City, its agents, officers, and employees harmless of any claim, action, or proceeding to attack, set aside, void, or annul this Use Permit, so long as the City promptly notifies the developer of any claim, action, or proceedings, and the City cooperates fully in defense of the action or proceedings.
2. The Applicant/Operator shall insure that the serving of alcohol does not cause any condition that will cause or result in repeated activities that are harmful to the health, peace or safety of persons residing or working in the surrounding area. This includes, but is not limited to: disturbances of the peace, illegal drug activity, public intoxication, drinking in public, harassment of people passing by, assaults, batteries, acts of vandalism, loitering, excessive littering, illegal parking, excessive loud noises, traffic violations or traffic safety based upon last drink statistics, curfew violations, lewd conduct, or police detention and arrests.
3. The Applicant/Operator shall operate and abide by the requirements and conditions of the State of California Department of Alcoholic Beverage Control License Type 48. The Type 48 License shall be limited to on-site sale and consumption of beer, wine and liquor during the hours that the bar is open for business, 3:00 p.m. to 1:30 am Monday through Saturday. The on-site sale and consumption of beer, wine and distilled spirits shall occur only during the said hours. The Type 48 off-sale shall be limited to the hours 3:00 p.m. to 11:00 pm.
4. Starting from the date the bar/nightclub begins operation, this Use Permit shall be subject to a, six-month, one year, and two year administrative review by Community Development Director. If the Director determines it necessary, the Director shall forward the review to the Planning Commission to review the bar's operation for compliance with the conditions of the Use Permit, and in response to any complaints thereafter. Additional reviews may be prescribed by the Community Development Director, the Police Department and/or Planning Commission as needed during and after the first two years of operation.
5. The Lodi Police Department may, at any time, request that the Planning Commission conduct a hearing on the Use Permit for the purpose of amending or adding new conditions to the Use Permit or to consider revocation of the Use Permit if the Use Permit becomes a serious policing problem.
6. The Use Permit shall require the Applicant/Operator to secure an ABC Type 48 license, On Sale General – Bar-Nightclub.
7. Prior to the issuance of a Type 48 ABC license, the Applicant/Operator shall complete Licensee Education on Alcohol and Drugs as provided by the State Department of Alcoholic Beverage Control.

8. Any changes to the interior layout of the business operation shall be subject to review and approval by the Planning Department and will require appropriate City permits.
10. No person who is in a state of intoxication shall be permitted within the bar/nightclub nor shall an intoxicated patron already in the bar be served additional alcoholic beverages. It is the responsibility of the business owner/operator to ensure no patron in state of intoxication is allowed into the building.
11. The operator of the bar shall police the area surrounding the business to prevent patrons from congregating/loitering outside the premises and to prevent excessive noise or other objectionable behavior. Noise levels shall be monitored to insure that noise shall not violate the City's Noise Ordinance Section 9.24.020 and Section 9.24.030.
12. Noise emanating from the property shall be within the limitations prescribed by the City's Noise Ordinance and shall not create a nuisance to surrounding residential neighborhoods, and/or commercial establishments. Exterior doors of the establishment shall remain closed with the exception of ingress and egress during periods of live entertainment and dancing.
13. The applicant shall submit to the Planning Department final sound measurements of the bar/nightclub prior to approval of the Final Certification of Occupancy. If final sound measurements do not conform to the Noise Ordinance, the applicant/operator shall provide added measures to comply with the Noise Ordinance. Failure to comply with this requirement shall void and annul this Use Permit.
14. Within 60 days of hire, any employee who sells or serves alcoholic beverages shall be required to complete a State of California certified program that meets the standards of the California Coordinating Council on Responsible Beverage Service (CCC/RBS). The applicant shall ensure that a file is maintained on the premises which contains the certificates of training completion for each employee who is required to complete this program.
15. The operator of the club shall police the area surrounding the business to prevent patrons from congregating/loitering outside the premises and to prevent excessive noise or other objectionable behavior. The project proponent shall be responsible for the maintenance of the exterior of the premise, including all entries to the business, the rear parking lot and the sidewalk area in front of the building. Exterior walls of the business shall be maintained in a neat and clean manner, and maintained free of graffiti at all times.
16. No more than 205 persons shall be permitted on the premise at any time, excluding employees and staff members.
17. No exterior amplified music shall be permitted as part of this Use Permit approval.
18. The operation of the business shall comply with all applicable requirements of the Municipal Code.
19. No variance from any City of Lodi adopted code, policy or specification is granted or implied by this approval.
20. The project proponent shall submit building permit for Tenant Improvements. The plans for submittal shall be prepared by a registered engineer or licensed architect for complete review and approval.
21. All plan submittals shall clearly demonstrate complete compliance with the 2007 Edition of the California Building, Plumbing, Mechanical, Electrical, Fire and Energy Codes, and other State and local codes and/or ordinances.
22. Additional comments shall be provided after complete plan have been submitted for building permit.

23. The proposed use of the Tenant Space appears to change the occupancy to A2, as described in 2007 CBC, Section 303.1. If the existing building is constructed of un-reinforced masonry, seismic upgrades to be building are required, as per City of Lodi policy and 2007 CBC, Chapter 34.
24. Due to change in occupancy, the Tenant Space shall meet all accessibility requirements of 2007 CBC, Chapter 11B. 2007 CBC, Sections 1134B.2 & 202.
25. Fire rated separation walls and horizontal assemblies, as may be required, shall be provided between the proposed A2 occupancy and the adjoining Tenant Spaces. 2007 CBC, Section 508.3.3.4 and Table 508.3.3
26. Due to change in occupancy, the wall adjacent to the alley shall be evaluated for fire resistive rating and opening protection based on construction type, occupancy, and fire separation distance. 2007 CBC, Table 602 and 704.8
27. The number of toilet fixtures provided shall be provided as specified by 2007 CPC, Table 4-1.
28. All plan submittals shall be based on the City of Lodi Building Regulations and currently adopted 2007 California Building code. Please review our policy handouts for specific submittal procedures.

Dated: June 24, 2009

I certify that Resolution No. 09- was passed and adopted by the Planning Commission of the City of Lodi at a regular meeting held on June 24, 2009 by the following vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:
ABSTAIN: Commissioners:

ATTEST: _____
Secretary, Planning Commission

Use Permit - Type 2 Winery ABC - 2 W. Lockeford St.

Item 3b.

CITY OF LODI
PLANNING COMMISSION
Staff Report

MEETING DATE: June 24, 2009

APPLICATION NO: Use Permit: 09-U-04

REQUEST: Request for Planning Commission approval of a Use Permit to allow a Type 2 (Winery) Alcoholic Beverage Control License at 2 West Lockeford Street. (Applicant: Estate Crush. File Number: 09-U-04.)

LOCATION: 2 West Lockeford Street
(APN: 043-025-05)
Lodi, CA 95240

APPLICANT: Estate Crush
2 West Lockeford Street
Lodi, CA 95240

PROPERTY OWNER: Gene A. Wagner
1000 Sylvia Drive
Lodi, CA 95240

RECOMMENDATION

Staff recommends that the Planning Commission conditionally approve the Use Permit request to allow a Type 2 (Winery) Alcoholic Beverage Control License at 2 West Lockeford Street, subject to the conditions on the attached resolutions.

PROJECT/AREA DESCRIPTION

General Plan Designation: DC, Downtown Commercial

Zoning Designation: C-M, Commercial-Light Industrial

Property Size: 17,100 square feet. The site is fully developed, but tenant improvements will be required to accommodate the proposed use.

The adjacent zoning and land use are as follows:

North: M-2, Heavy Industrial. The uses north of the project site are a mixture of retail commercial, offices, service businesses and residences.

South: C-M, commercial-light industrial. There are a variety of commercial uses to the south, including retail stores, offices, and service business. There are also scattered bars and restaurants that serve alcohol in the downtown area. This location is considered part of the greater downtown business area. The downtown area generally extends north to Lockeford Street and south to Lodi Avenue.

East: C-M, commercial-light industrial. Across Sacramento Street is the main UP railroad line. The area further east across the tracks is zoned M-2 Heavy Industrial.

West: C-2, general commercial. The area to the west is the main downtown area along School Street and Church Street. Both streets are lined with a variety of commercial businesses, including retail, service and office uses. There is also a

significant number of eating and drinking establishments concentrated in the downtown area.

SUMMARY

The applicant is requesting approval to open a small winery operation and tasting room and to sell wine by the bottle or case in an existing building located at 2 West Lockeford Street. The project is a two-phased project. The first phase focuses on a wine crushing operation, primarily making wine for boutique wineries and individuals in the Lodi Appellation. It will be designed for small wineries that do not have their own crushing facility. The second phase of the project would add a wine tasting room and retail sales of wines made on site to the public. Staff has notified all property owners within 300 feet of the site for this public hearing and has not received any opposition.

BACKGROUND

The winery will occupy the entire existing building. Available City records indicate that the building has been used for automotive related uses since its construction in late 1950s. The building will have a small office, a warehouse and tank area, and a barrel storage room. Grapes will be delivered to the site in 1/2 ton vessels using pick-ups and small flatbed trucks. The trucks will pull directly in the staging/crush area inside the building through the roll-up door on Sacramento Street. The property will be remodeled to accommodate the proposed use. The use meets off-street parking requirements. The area surrounding the site is all zoned C-M, commercial-light industrial and is developed with a variety of commercial and light industrial uses.

ANALYSIS

The applicant is requesting approval of a Use Permit to allow winemaking, wine tasting and a small retail wine sales operation at 2 West Lockeford Street. The applicants will custom crush grapes for local boutique wineries. The subject property and all the surrounding properties are zoned C-M, commercial-light industrial. These zones permit a variety of industrial uses, including wineries. All the winemaking operation will be enclosed in the existing building. Inside of the building will be steel storage tanks, areas for barrels, and a small office. The production area will include a climate controlled barrel room and case storage area. The grape crushing will involve bringing the grapes into the winery by 1/2 ton vessels using pick-ups and small flatbed trucks. Given the limited capacity of the winery, the number of trucks should be limited. According to the project description provided by the applicant, the winery will only produce around 1,200 cases of wine during the first phase of the project. The second phase of the project will include addition of a wine tasting and retail room. The wine tasting operation will be Tuesday – Saturday from 12:00 pm to 9 pm, Sundays 12:00 pm to 5:00 pm and closed on Mondays. The proposed hours are similar to other wine tasting rooms the Planning Commission has approved in the past.

The existing building measures 13,464 square feet in size. The proposed floor plan distributes the various uses/occupancies within the building as follows:

Description	Previous Use	Size in sq. ft.
Barrel Room (storage)	Storage	3,000
Crushing Area (warehouse)	Auto Repair	8,864
Office/Retail	Show room	1,600

According to the Lodi Municipal Code Section 17.60.100, storage/warehouse uses require one space for every 750 sq. ft; office/retail uses require one space for every 250 sq. ft.; and auto repair uses require one space for every 500 sq. ft. Based on Lodi Municipal Code parking space calculation ratio, the existing warehouse would require 4 stalls, auto repair area 18 stalls and

office use would require 7 stalls. The project site is credited with 29 spaces based on the previous use (auto repair). The proposed use, which is expected to employ 4 people once entirely completed, is less intensive use in that wine crushing operation will not generate significant parking demands. However, phase two of the project, the retail and wine tasting operation, should result in increased parking demand. The retail and wine tasting portion of the business will be confined to what used to be an auto showroom and offices, which measures 1,600 sq. ft. in area. Considering this room will also include a display area, office use, and other necessary amenities, the actual room reserved for wine tasting will be relatively small. Given that the warehouse (barrel room and crushing area) portion of the business would require 16 parking stalls, staff does not anticipate the total parking demand to exceed the total parking credited to this project site (29). Further, since the subject property is within 1 block of the Downtown Parking District and is within a walking distance from the downtown parking garage, staff is of the opinion there will not be significant parking related problems.

Section 17.72.040 of the Lodi Municipal Code requires a Use Permit for new Off-Sale and On-Sale alcohol licenses as well as changes in license type. The City established the Use Permit requirement to gain local control over whether or not a license is appropriate for a particular location. The State Department of Alcoholic Beverage Control primarily controls issuance based on concentration of licenses within a particular Census Tract. Census Tract 42.04 covers the area south of Holly Drive, west of Sacramento Street, north of Lodi Avenue, and east of Ham Lane. Because this area is within the downtown area, there is an existing over concentration of ABC licenses (27 on-sale and 4 off-sale) within this Census Tract. Because this census tract is over concentrated, the City must make a finding of public need or convenience in order to approve an additional on-sale beer and wine license. Since Census Tract 42.04 is an area that currently exceeds the concentration of ABC license, approval of this Use Permit would require a determination that public convenience or necessity would be served by the issuance of this permit.

Staff has contacted the Lodi Police Department for comment on the proposed Use Permit application. The Police Department recommends approval of this request (Attachment 3). The Police Department is willing to work with the applicant and will suggest ways in which the business can be operated in a manner that will limit law enforcement problems. The proposed use is consistent with the City's vision of making Lodi a wine tasting tourist destination point. The wine tasting rooms are a large part of this vision for they not only compliment other downtown businesses such as restaurants and boutiques, but add to the character of the City by promoting local wineries and viticulture. All of the winery operations will take place within the building space. The only operation that will take place outside is the unloading of the merchandise from the trucks where they will be transported into the building. This unloading should be minimal and of no significant effect to the downtown. It is staff's opinion that the proposed location for the winery is appropriate. The area is industrial in nature and the winery is an industrial use. The wine tasting aspect of the operation will be limited so there should not be any adverse effects from the consumption of wine. Generally people tasting wine do not consume enough to create a problem and the winery is responsible for monitoring their customers and determining the appropriate limits on consumption. Skins and seeds from the crushing operation will be promptly hauled off-site to the Central Valley Waste facility or to a farm for composting. We therefore are recommending that the Use Permit be approved, subject to the attached resolution.

ENVIRONMENTAL ASSESSMENT

The project was found to be categorically exempt according to the California Environmental Quality Act, Article 19 15321 Class 21 (a) (2). The project is classified as an "Enforcement Action by Regulatory Agencies" because it is the "adoption of an administrative decision or order enforcing...the lease, permit, license, certificate, or entitlement for use or enforcing the

general rule, standard, or objective.” The project was also found to be categorically exempt according to the California Environmental Quality Act, Article 19 15332 Class 32 (a) (b) (c) (d) and (e). The project is classified as in-fill development meeting the conditions described therein. No significant impacts are anticipated and no mitigation measures have been required. No significant impacts are anticipated and no mitigation measures have been required.

PUBLIC HEARING NOTICE:

Legal Notice for the Use Permit was published on May 30, 2009 and June 13, 2009. 42 public hearing notices were sent for both meetings to all property owners of record within a 300-foot radius of the subject property as required by California State Law §65091 (a) 3.

ALTERNATIVE PLANNING COMMISSION ACTIONS:

- Approve the Requests with Alternate Conditions
- Deny the Requests
- Continue the Requests

Respectfully Submitted,

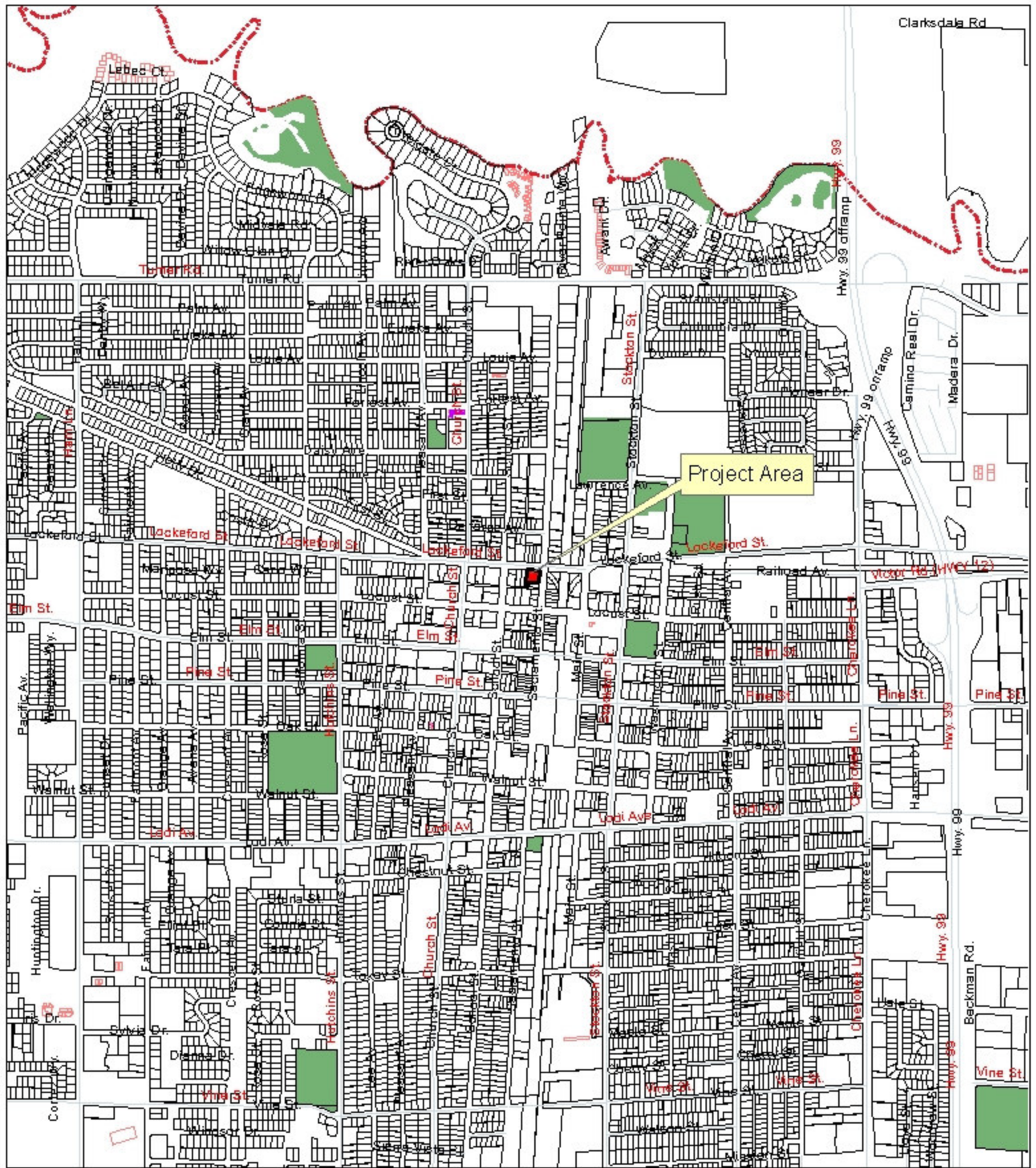
Concur

Immanuel Bereket
Assistant Planner

Konradt Bartlam
Community Development Director

ATTACHMENTS:

1. Vicinity Map
2. Floor Plan
3. Police Department Approval
4. Protest Letter
5. Draft Resolutions



Legend

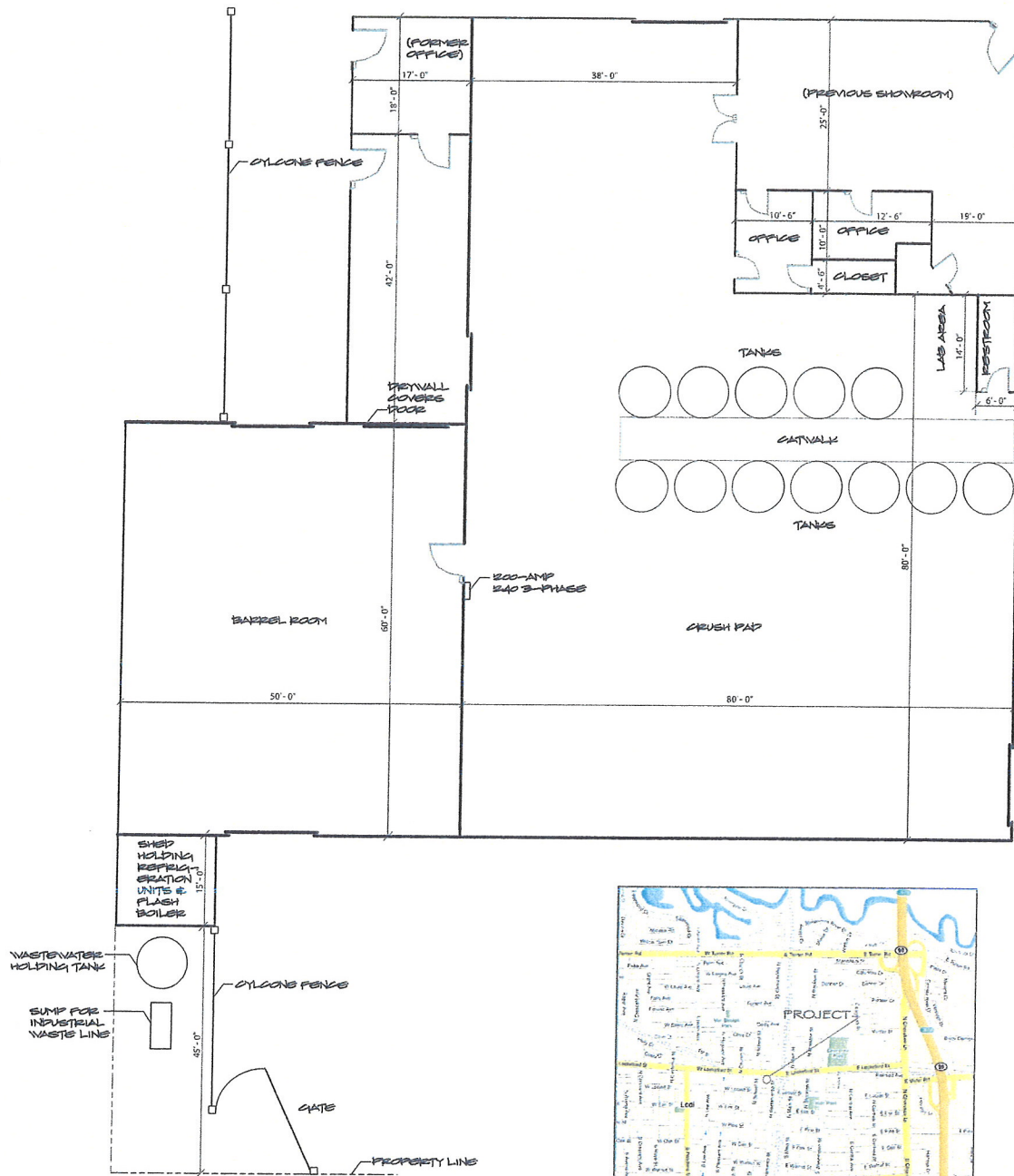
Project Area

Vicinity Map

0 0.0450.09 0.18 0.27 0.36
Miles

Albers Projection
Central Meridian: -96
False Easting: 30
False Northing: 60
Latitude of origin: 40





SACRAMENTO STREET



SITE PLAN

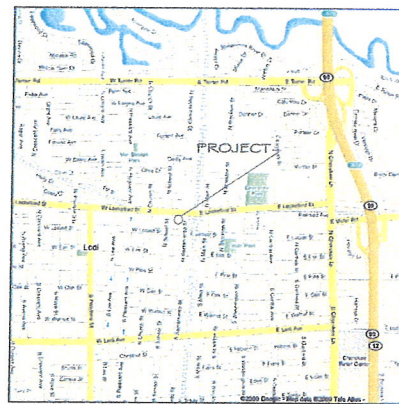
SITE PLAN KEY NOTES:

1. EXISTING HOUSE 1
2. EXISTING HOUSE 2



VICINITY MAP

NO SCALE



Immanuel Bereket

From: Gary Benincasa
Sent: Thursday, May 21, 2009 8:48 AM
To: Immanuel Bereket
Subject: 2 W. Lockeford St. & 17 W. Pine St.

Manny,

I apologize; I forgot to get back to you on those two use permits yesterday. We reviewed them and have no issues with either plan.

Gary

Captain Gary Benincasa
215 W. Elm St.
Lodi, CA 95240
(209) 333-6726
gbenincasa@pd.lodi.gov

RECEIVED

May 30, 2009

JUN 02 2009

COMMUNITY DEVELOPMENT DEPT
CITY OF LODI

Mr. Rad Bartlam
Community Development Director
P.O. Box 3006
Lodi, CA 95241-1910

Re: Use Permit at 2 West Lockford Street (File number 09-U-04)

Dear Rad:

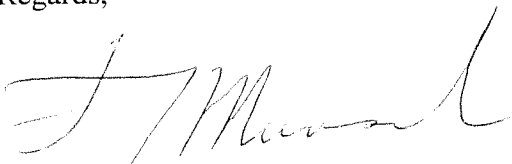
My family has own the property at 321 North Sacramento Street for nearly 60 years. Our property is located ½ block north of the proposed Estate Crush. Unfortunately I will be out of the country on the date of your hearing so I will not be able to attend. However, I am familiar with the proposal having read about it in the Lodi News Sentinel.

I have tried to improve our property and to make it attractive. Eight years ago we built a new warehouse at this location. We complied with all the requirements of the city and added new lawn and tree planting. Because we have complied with these requirements alcoholics find it attractive to sleep on the lawn under the shade of the trees.

It has been very difficult to keep our property up because this part of the community is subject to the problems associated with alcoholism and drug abuse. We constantly have to pick up bottles and debris from individuals that are going back and forth from the bars and liquor stores in the area and the Salvation Army to the north. Nearly every week an inebriated person will fall asleep on our lawn. Every year people sleep in the enclosure that we were required to provide for trash storage. Even though this enclosure has never been used for trash storage and is always locked, people crawl over the six foot high wall and set up house keeping requiring me to clean up the broken bottles and human waste left behind.

In my opinion the issuance of an additional Alcoholic Beverage Control License in a part of the community already saturated with too many alcoholic licenses will only make the situation worse. The City of Lodi should be encouraging the development of those kinds of businesses that are compatible with the neighborhood rather than adding to the problem.

Regards,



LeRoy Munsch
2221 Landon Lane
Sacramento, CA 95825

RESOLUTION NO. P.C. 09-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LODI APPROVING THE REQUEST OF ESTATE CRUSH FOR A USE PERMIT ALLOW A TYPE-2 (WINERY) ABC LICENSE FOR ESTATE CRUSH ALCOHOLIC BEVERAGE CONTROL LICENSE AT 2 WEST LOCKEFORD STREET

WHEREAS, the Planning Commission of the City of Lodi has heretofore held a duly noticed public hearing, as required by law, on the requested Use Permit, in accordance with the Lodi Municipal Code, Section 17.72.070; and

WHEREAS, the project proponent is Estate Crush., 2 West Lockeford Street, Lodi CA 95240; and

WHEREAS, the project is located at 2 West Lockeford Street, Lodi CA 95240; and

WHEREAS, the project parcel has a General Plan designation of Downtown Commercial and is zoned C-M, Commercial-Light Industrial; and

WHEREAS, the project parcel is owned by Gene A. Wagner., 1000 Sylvia Drive, Lodi, CA 95240 (APN 043-035-18) and:

WHEREAS, the requested use permit to allow wine crushing, on-site wine tasting and retail thereof is an enforcement action in accordance with the City of Lodi Zoning Ordinance; and

WHEREAS, Census Tract 42.04 in which the proposed wine crushing, wine tasting and wine retail is located currently has an over concentration of ABC licenses allowing on premise consumption of alcoholic beverages; and

WHEREAS, because Census Tract 42.04 has an over concentration of on-sale general alcohol licenses, the Planning Commission must make a finding of necessity or public convenience in order to permit the issuance of an additional Alcohol Beverage Control license in this tract; and

WHEREAS, the State Department of Alcoholic Beverage Control has training available that clearly communicates State law concerning the sale of alcoholic beverages.

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

Based upon the evidence within the staff report and project file the Planning Commission finds:

1. The project was found to be categorically exempt according to the California Environmental Quality Act, Article 19 15321 Class 21 (a) (2). The project is classified as an "Enforcement Action by Regulatory Agencies" because it is the "adoption of an administrative decision or order enforcing...the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective." The project was also found to be categorically exempt according to the California Environmental Quality Act, Article 19 15332 Class 32 (a) (b) (c) (d) and (e). The project is classified as in-fill development meeting the conditions described therein. No significant impacts are anticipated and no mitigation measures have been required. No significant impacts are anticipated and no mitigation measures have been required.
2. The proposed use is consistent with the City's vision of making Lodi a wine tasting tourist destination point.
3. The wine tasting room will not only compliment other downtown businesses such as restaurants and boutiques, but add to the character of the City by promoting local wineries and viticulture.
4. The proposed use is expected to be compatible with the surrounding use and neighborhood.
5. No land use problems or issues are anticipated as a result of this project.

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Planning Commission of the City of Lodi that Use Permit Application No. 09-U-04 is hereby approved, subject to the following conditions:

1. The developer will defend, indemnify, and hold the City, its agents, officers, and employees harmless of any claim, action, or proceeding to attack, set aside, void, or annul this Use Permit, so long as the City promptly notifies the developer of any claim, action, or proceedings, and the City cooperates fully in defense of the action or proceedings.
2. The Applicant/Operator shall insure that the serving of alcohol does not cause any condition that will cause or result in repeated activities that are harmful to the health, peace or safety of persons residing or working in the surrounding area. This includes, but is not limited to: disturbances of the peace, illegal drug activity, public intoxication, drinking in public, harassment of people passing by, assaults, batteries, acts of vandalism, loitering, excessive littering, illegal parking, excessive loud noises, traffic violations or traffic safety based upon last drink statistics, curfew violations, lewd conduct, or police detention and arrests.
3. The Applicant/Operator shall operate and abide by the requirements and conditions of the State of California Department of Alcoholic Beverage Control License Type 2. The Type 2 License shall be limited to on-site sale and wine tasting operation during the hours that the business is open for business, Tuesday – Saturday from 12:00 pm to 9 pm, Sundays 12:00 pm to 5:00 pm and closed on Mondays or as otherwise modified by the Community Development Director. The on-site sale and consumption of wine shall occur only during the said hours.
4. The project proponent shall operate and abide by the requirements and conditions of the State of California Department of Alcoholic Beverage Control License Type-2.
5. Prior to the issuance of a Type-2 license, the project proponent and on-site manager shall complete Licensee Education on Alcohol and Drugs as provided by the State Department of Alcoholic Beverage Control.
6. The conditions of the Use Permit are subject to review by staff and the Planning Commission for compliance.
7. No variance from any City of Lodi adopted code, policy or specification is granted or implied by the approval of this resolution.
8. The wine tasting operation shall be conducted in a manner that will not adversely impact neighboring properties or businesses.
9. All temporary and permanent signage proposed in connection with the wine tasting operation shall be reviewed and approved by the Community Development Department.
10. The office and sales aspect of the business shall be ancillary to the wine crushing, warehouse and storage portion of the business.
11. That applicants shall be allowed to use the wine tasting space for various events such as wine dinners catered by outside vendors, private mixers, wine tasting and parties for organizations and businesses who want to rent space, and to host feature wine tasting events that may include educational components.
12. The wine tasting room and offices shall be limited to no more than 1,600 square feet of an area and the room occupancy shall not exceed to 47 persons, including employees.
13. Live Entertainment, if such activities as defined by Lodi Municipal Code § 17.73 Live Entertainment occur, shall be limited to Thursday, Friday and Saturday evenings between the hours of 6:00 p.m. and 10:00 p.m., recognized holidays, special events and private functions are exempt. Live Entertainment shall be limited to the interior of the building.

14. The applicant shall submit complete and adequate Tenant Improvement plans to the Building Division for review and approval. The said plans shall be based on the City of Lodi Building Regulations and currently adopted 2007 California Building Code.

Dated: June 24, 2009

I certify that Resolution No. 09- was passed and adopted by the Planning Commission of the City of Lodi at a regular meeting held on June 24, 2009 by the following vote:

AYES: Commissioners:

NOES: Commissioners:

ABSENT: Commissioners:

ABSTAIN: Commissioners:

ATTEST: _____
Secretary, Planning Commission

Item 6a.



MEMORANDUM, City of Lodi, Community Development Department

To: City of Lodi Planning Commissioners

From: Rad Bartlam, Community Development Director

Date: Planning Commission Meeting of 6/24/09

Subject: Past meetings of the City Council and other meetings pertinent to the Planning Commission

In an effort to inform the Planning Commissioners of past meetings of the Council and other pertinent items staff has prepared the following list of titles.

If you have any questions, please feel free to contact the Planning Department or visit the City of Lodi website at: <http://www.lodi.gov/city-council/AgendaPage.html> to view Staff Reports and Minutes from the corresponding meeting date.

Date	Meeting	Title
June 2, 2009	SPECIAL	Continue to Receive and Review the Draft Fiscal Year 2009-10 Financial Plan and Budget
June 3, 2009	REGULAR	Adopt Resolution Authorizing the City Manager to Enter into Contract with InSite Environmental, Inc. to Prepare an Environmental Impact Report for the Lodi West 60kV Power Line Project to be Located West of the City of Lodi (CD)
June 10, 2009	SPECIAL	Adopt Resolution Approving City of Lodi Financial Plan and Budget for Fiscal Year Beginning July 1, 2009 and Ending June 30, 2010, and Approving Fiscal Year 2009-10 Appropriation Spending Limit (CM)